

Stories from the field

Information, knowledge, communication needs
of urban, low-income micro-entrepreneurs in
Myanmar

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Yangon, July 2014



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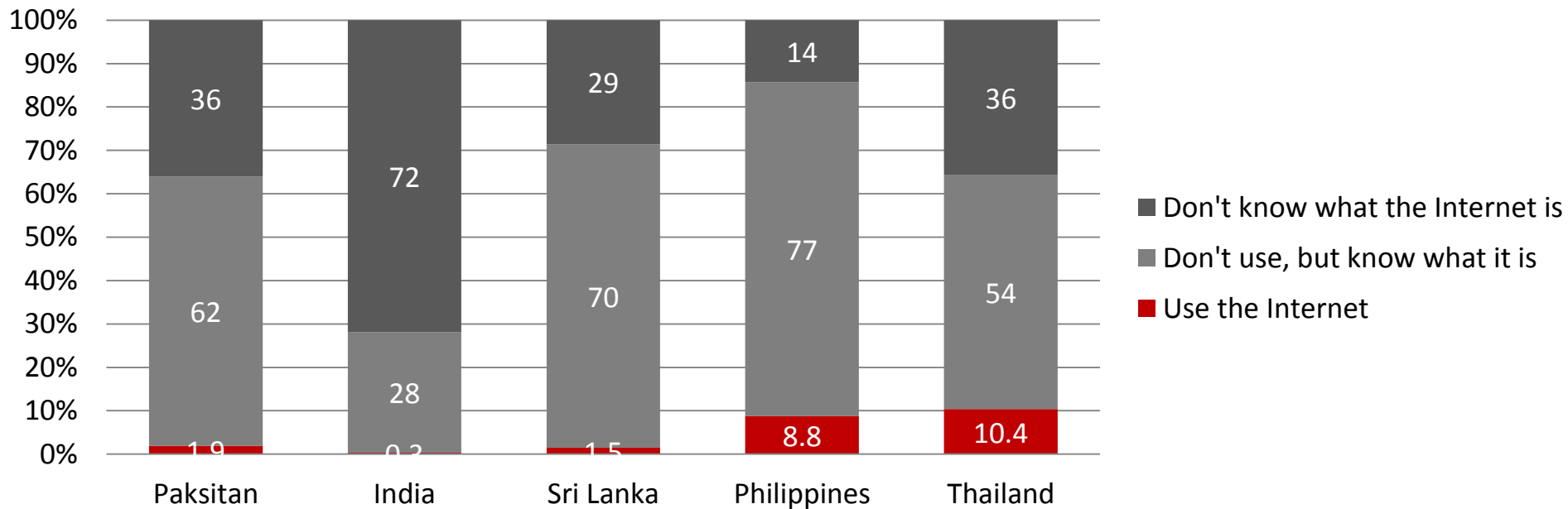


Myanmar is late; but that may be an advantage

- To use Internet at the SAME TIME as voice/SMS users
 - Different to most other countries
- Driven by cheaper technologies
 - Inexpensive smartphones in market (but not then)
- Driven by Apps (Viber, Facebook other)
- General higher awareness?

Other countries: focused on voice/SMS. Not internet. By 2006, very low Internet use by the poor (BOP)

Internet use and awareness, 2006 (% of BOP teleusers)

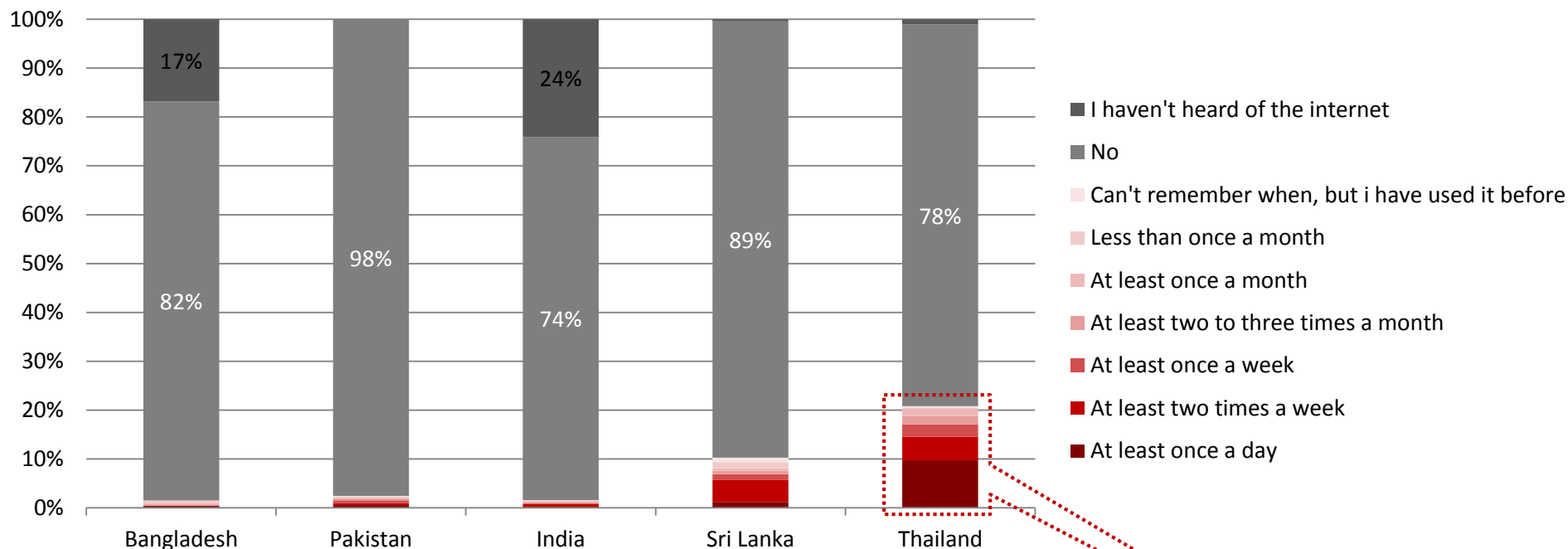


Source: Teleuse@BOP2, 2006

Among BOP teleusers

Other countries 2011: Compared to 2006, Internet use by those at BOP more than doubles, but still remains low

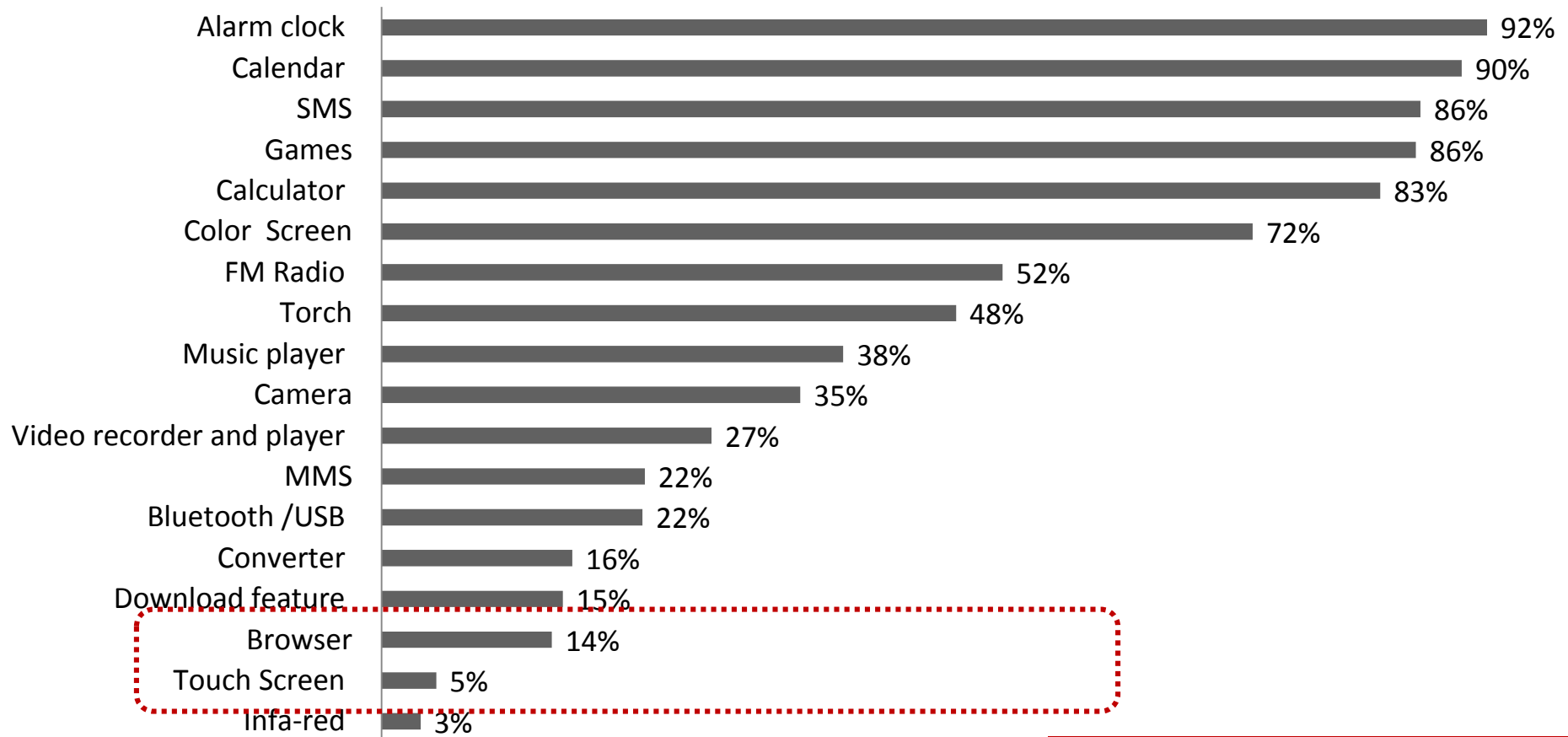
Internet use (% of BOP teleusers)



| | Bangladesh | Pakistan | India | Sri Lanka | Thailand |
|---------------------------------------|------------|----------|-------|-----------|----------|
| Use the Internet (% of BOP teleusers) | 2% | 2% | 1% | 9% | 21% |

Other countries, 2011: Low use of phones with touch-screen & browsers among the poor/bottom of the pyramid

Features present on mobile handset (% of BOP mobile owners; all countries except Java)



Source: Teleuse@BOP4, 2011

Among BOP mobile owners



STUDYING LOW-INCOME, URBAN, MICRO-ENTREPRENEURS

Why do we care about Micro Entrepreneurs (MEs)?

- SMMEs large % of a nations employed citizenry
- Not all MEs remain MEs for-ever
- Some grow
 - Into SMEs (small/medium enterprises)
 - Even into large enterprises
- Economic growth happens when this journey takes place
 - ICTs help
- What can we do to catalyze it?
 - Response by Policy makers, regulators, service providers, civil society

Our focus: urban, low-income MEs

- Why low-income MEs?
- Why limit to urban areas ?
 - Low rural coverage; urban areas targeted by new operators
 - To get mix of mobile users/non-users
- To understand their information, communication, knowledge needs and habits
- To understand their unmet needs; opportunities

Defining a 'low-income, urban, micro-entrepreneur'

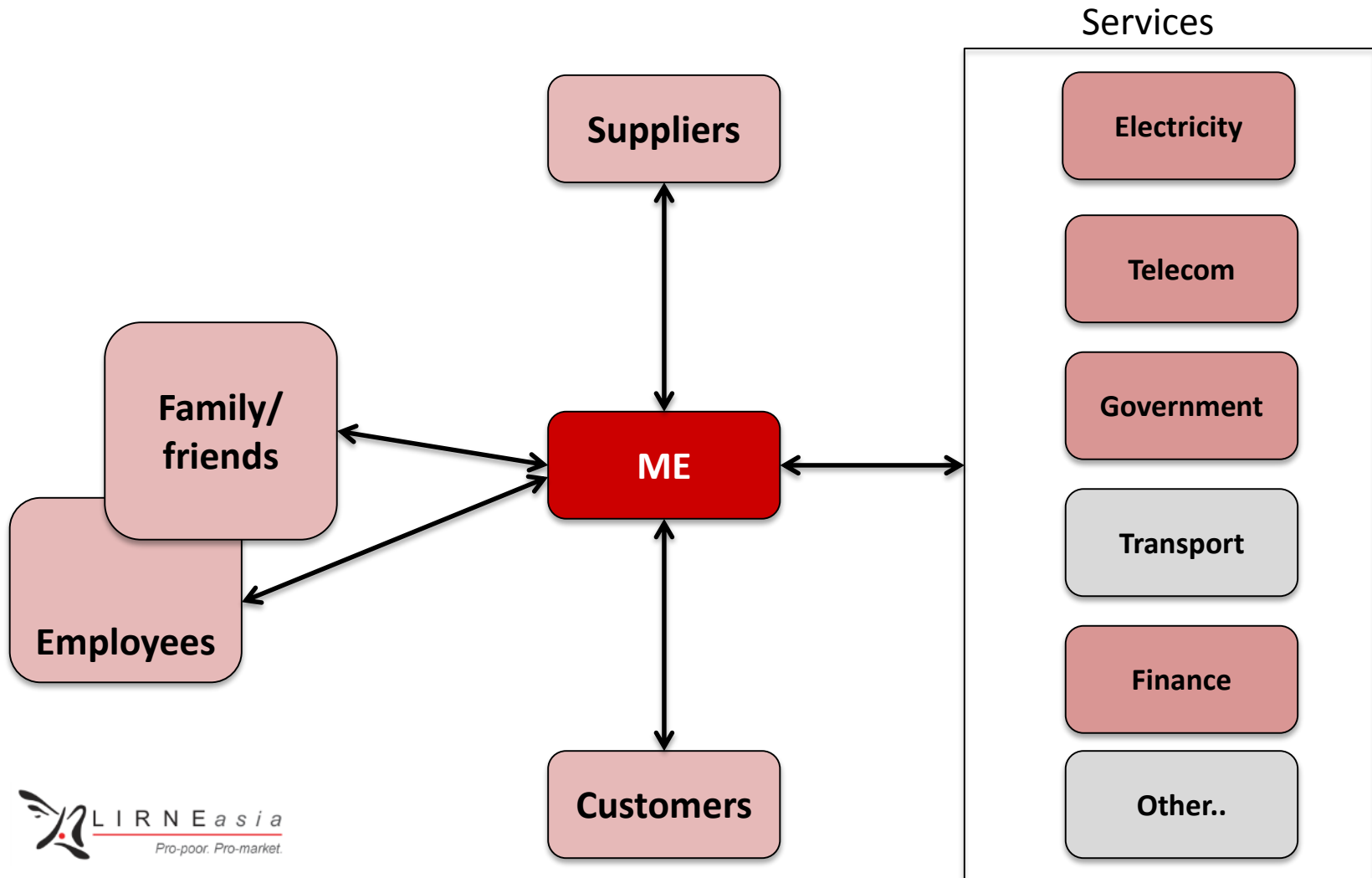
- ME = business owner with 0-9 employees
 - Focus on those in manufacture, trade, services (excl. farmers)
 - Included fixed location, variable location and mobile-type businesses
- Low-income = socioeconomic classification groups D-E
 - Generally called 'those at the Bottom of the Pyramid' or 'BOP'
- Urban = as defined by government/national statistics office
- Equal gender representation
- Included mobile users and non-users
- Ages 15-45



Myanmar SEC

| Income in Kyats/month | SEC |
|-----------------------|-----|
| 100,000 or below | E |
| 100,001 - 200,000 | D |
| 200,001 - 300,000 | |
| 300,001 - 400,000 | C |
| 400,001 - 500,000 | |
| 500,001 - 600,000 | B |
| 600,001 - 700,000 | |
| 700,001 - 800,000 | |
| 800,001 - 900,000 | |
| 900,001 - 1,000,000 | |
| over 1,000,000 | A |

Understand ME's knowledge & info needs through interactions with various 'actors' who fulfil their daily needs



Qualitative methods chosen

- Quantitative (surveys answered by large number of people)
 - Good to understand WHAT is happening
 - But lack of sufficient insight to design a good survey
- Need to understand in-depth
 - Why (and why not)? How?



Qualitative research methods (protocols) used. 124 people studied in detail

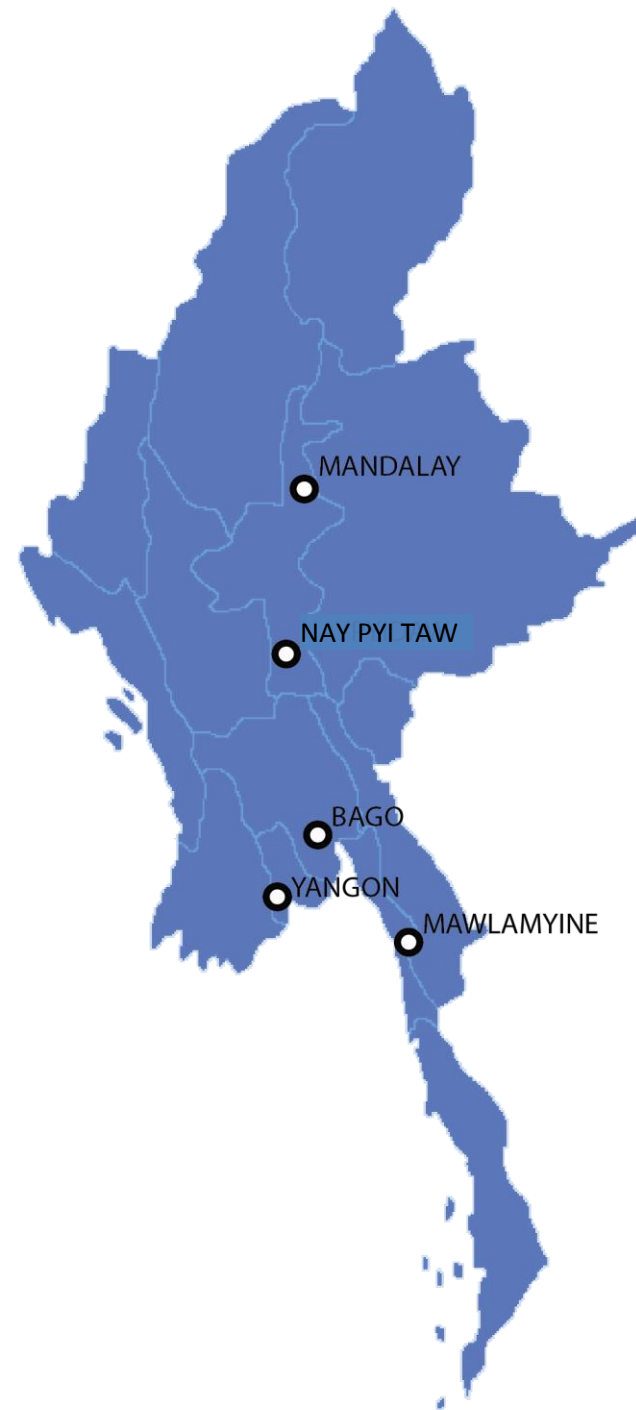
| | Protocols | Total Participants |
|------------------------------|-----------|--------------------|
| Focus group discussions | 10 | 60 |
| In-depth interviews | 34 | 34 |
| Mini-ethnographies | 20 | 20 |
| Service provider ethnography | 10 | 10 |
| Total | 74 | 124 |

- Equal gender representation
- Included mobile users and non-users
- Ages 15-45



Fieldwork conducted in April/May 2014 in five urban centers

- Study not representative of Myanmar MEs
- All interviews conducted in Myanmar





FINDINGS



Early adopters: Many MEs had a phone. Most were smartphones

- **57 MEs had their own phone;** 9 used a shared phone
 - 56 didn't have a phone
 - Most got a connected for the sake of having a phone in case of emergency
- Of the 57 phone owners, 42 **(73%) owned a smart phone**
- Gaming (for their kids) and media capabilities sought after



• Huawei phone that Thaya (45, Gasoline seller, Mandalay) got from his monk friend



Naing (statue maker, Bago) uses his phone for games among other apps



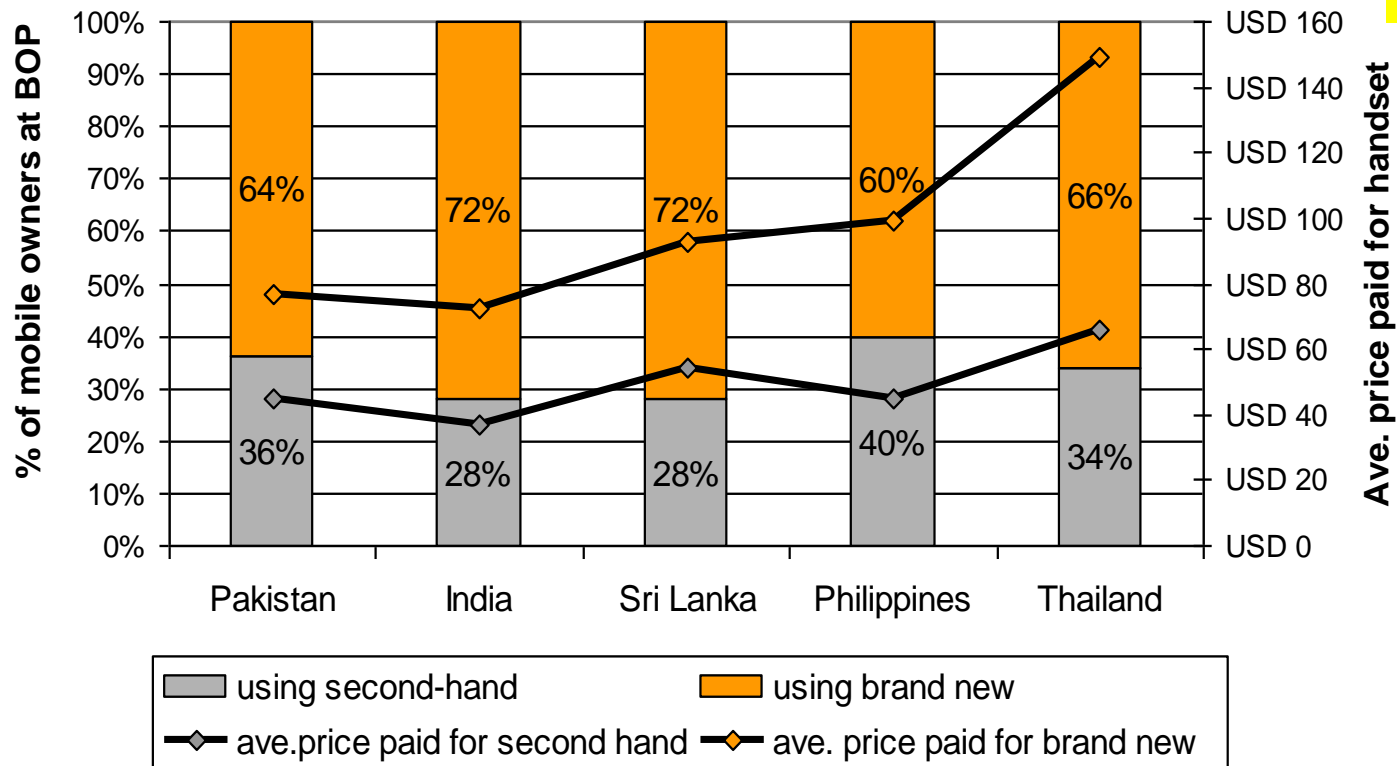
Up to MMK 160,000 (USD 160) paid for handsets

| | Min observed (Kyat) | Max observed (Kyat) |
|------------------------------|---------------------|---------------------|
| Handset purchase price (MMK) | 15,000 | 160,000 |

Note: these numbers are for illustrative purpose only, and cannot be generalized or extrapolated; also note that there is a high possibility of selection bias as current MEs who own phones are likely to be the better-off among the group studied.

Other countries 2006: BOP in Asia were paying USD 40-150 for feature phones, sometimes second hand

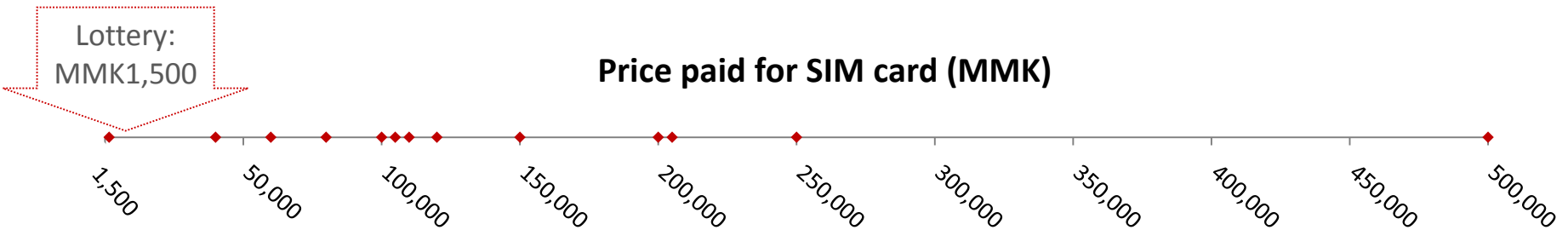
Handsets: brand new vs. second-hand



Compare with 15 – 160 paid by MEs in Myanmar



High willingness to pay: Many paying MMK 50,000-100,000 to get connected (to buy a SIM)



- Those who didn't get from lottery bought SIMs from friends, monks or others

Note: these numbers are for illustrative purpose only, and cannot be generalized or extrapolated; also note that there is a high possibility of selection bias as current MEs who own phones are likely to be the better-off among the group studied.

Other countries: Cost is to get connected is generally less than Myanmar grey market costs

| Country | Operator | Prepaid connection fee (in USD) |
|-------------|----------------|---------------------------------|
| Indonesia | Telkomsel | free |
| India | Bharti Airtel | 0.34 |
| Bhutan | Bhutan Telecom | 0.80 |
| Afghanistan | Roshan | 0.86 |
| Philippines | Smart | 0.91 |
| Nepal | Ncell | 0.98 |
| Sri Lanka | Dialog Axiata | 1.41 |
| Maldives | Dhiraagu | 1.93 |
| Bangladesh | Grameenphone | 2.18 |
| Pakistan | Mobilink | 2.76 |
| Thailand | AIS | 3.08 |



USD 1.5 = lottery cost in MM



USD 50 – 100 paid by most MEs interviewed



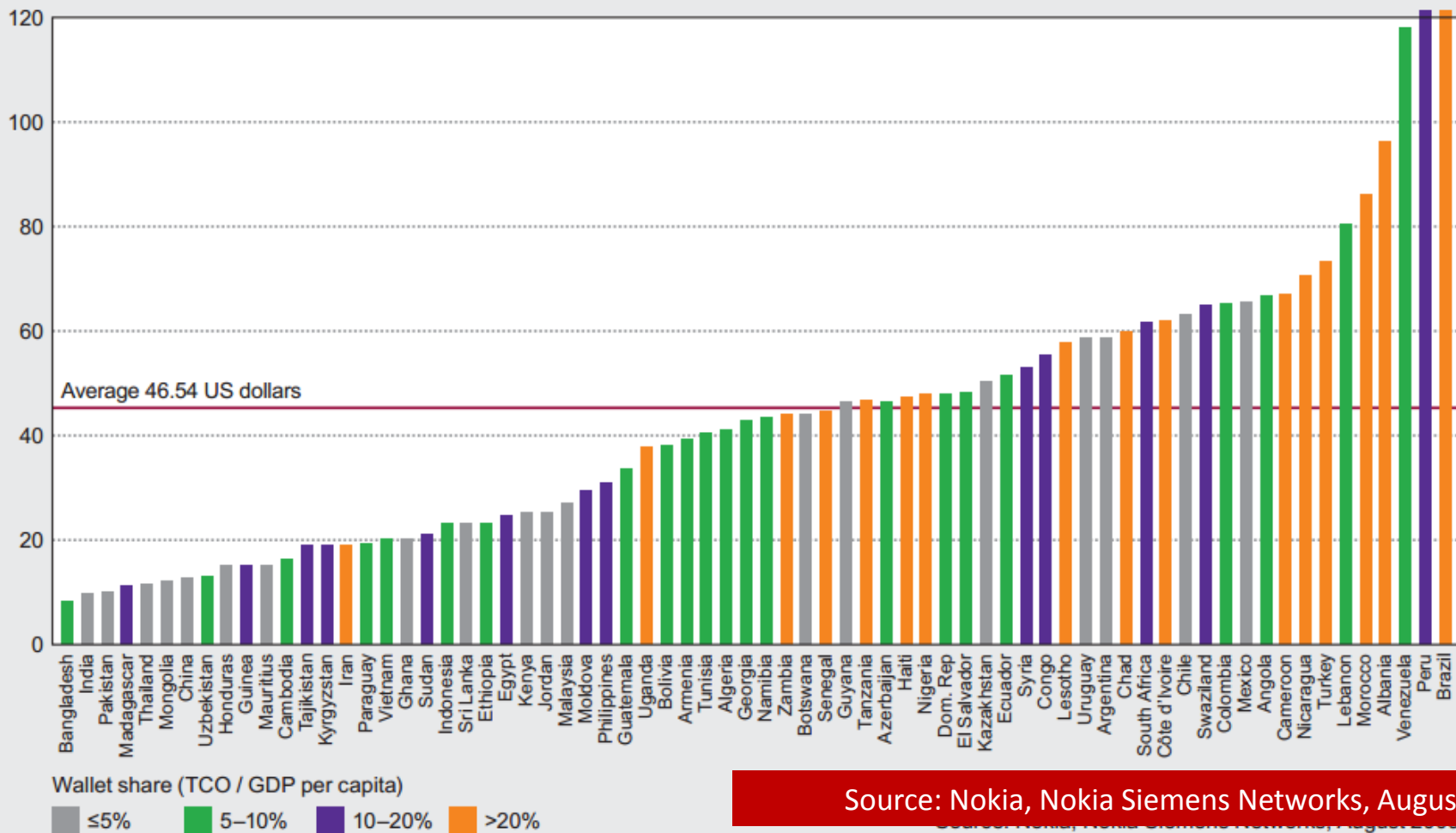
Monthly phone top-up expenses varied between 1% - 25% of income (~ 2.5 – 45 USD)

| | | Min observed (in Kyat) | Max observed (in Kyat) |
|---------------------|---------------------|---------------------------|---------------------------|
| Monthly expenditure | (MMK) | 2,500 | 45,000 |
| | % of monthly income | 1 | 25 |

Note: these numbers are for illustrative purpose only, and cannot be generalized or extrapolated; also note that there is a high possibility of selection bias as current MEs who own phones are likely to be the better-off among the group studied.

Other countries 2009: average monthly spend <10% of income. Asian neighbours <5% of income.

Monthly mobile data TCO by country (USD)



Source: Nokia, Nokia Siemens Networks, August 2009



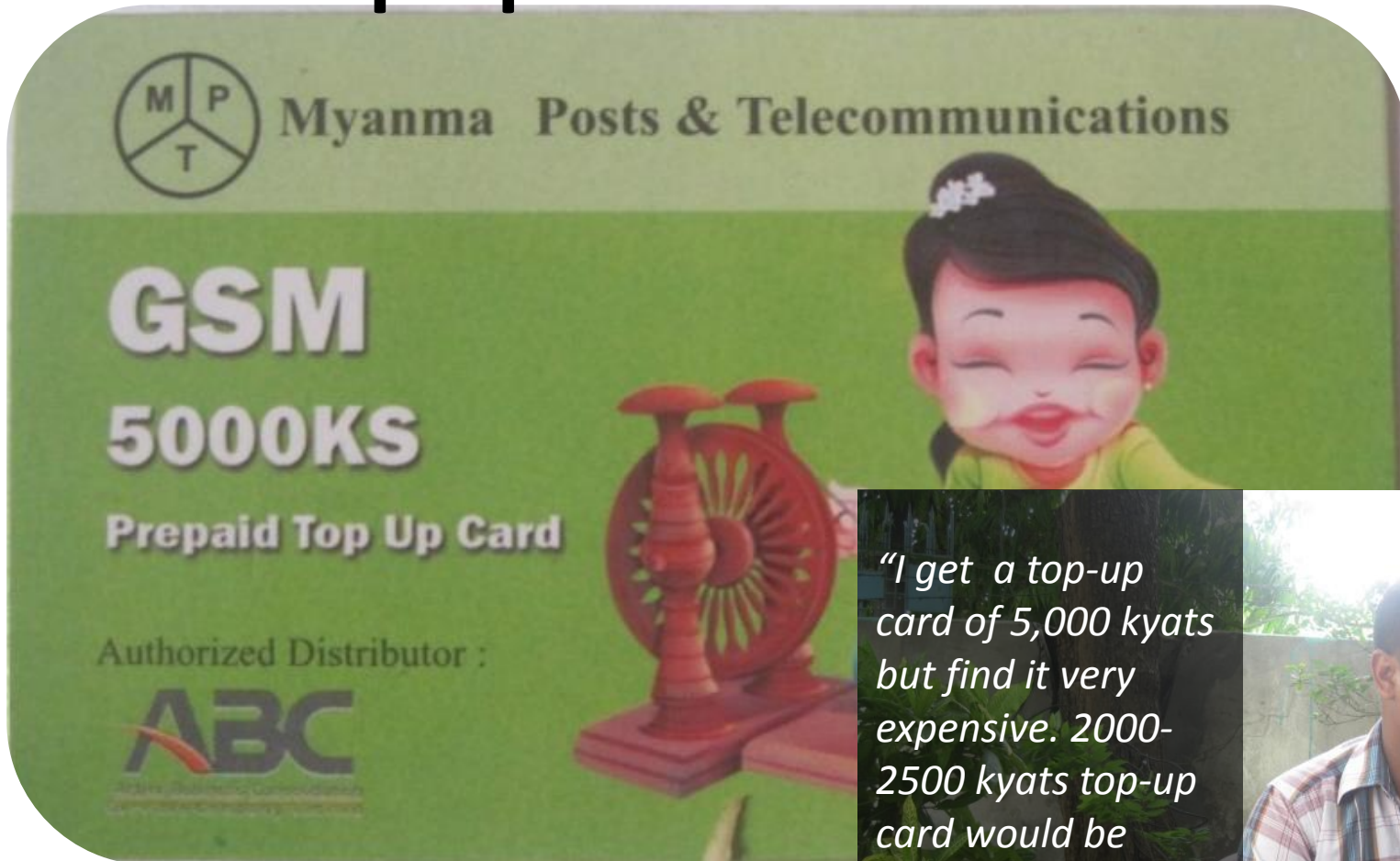
Only two options in top up values: 5,000 or 10,000 Kyat

| | Min observed | Max observed |
|-----------------------------|--------------|--------------|
| Prepaid top-up amount (MMK) | 5,000 | 10,000 |

Note: these numbers are for illustrative purpose only, and cannot be generalized or extrapolated; also note that there is a high possibility of selection bias as current MEs who own phones are likely to be the better-off among the group studied.



Some expressed a need for lower-amount top-ups



"I get a top-up card of 5,000 kyats but find it very expensive. 2000-2500 kyats top-up card would be better for me"
Htut, Carpenter, 33, Mandalay



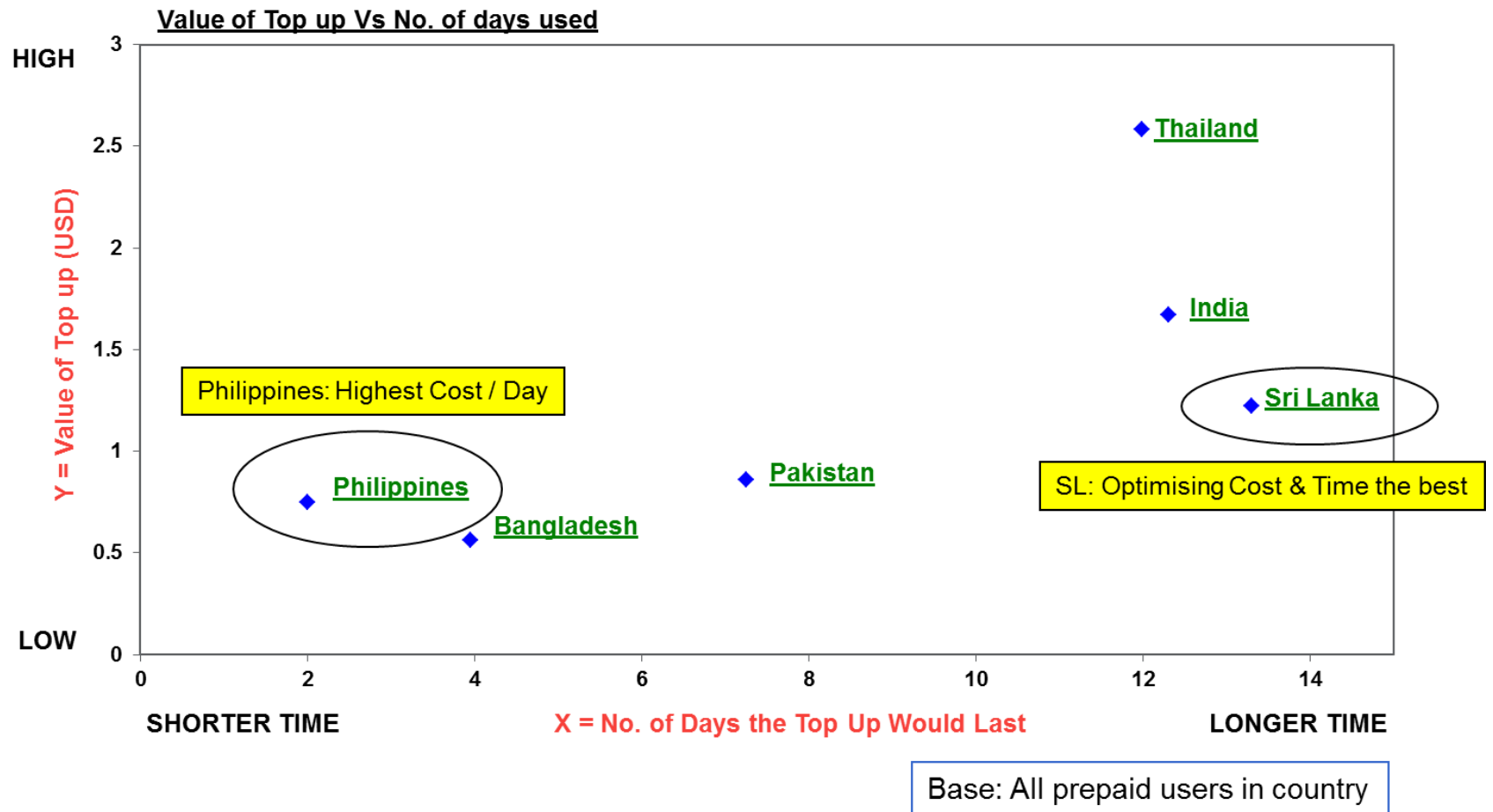
MMK5,000 and MMK10,000 top-up cards

currently available



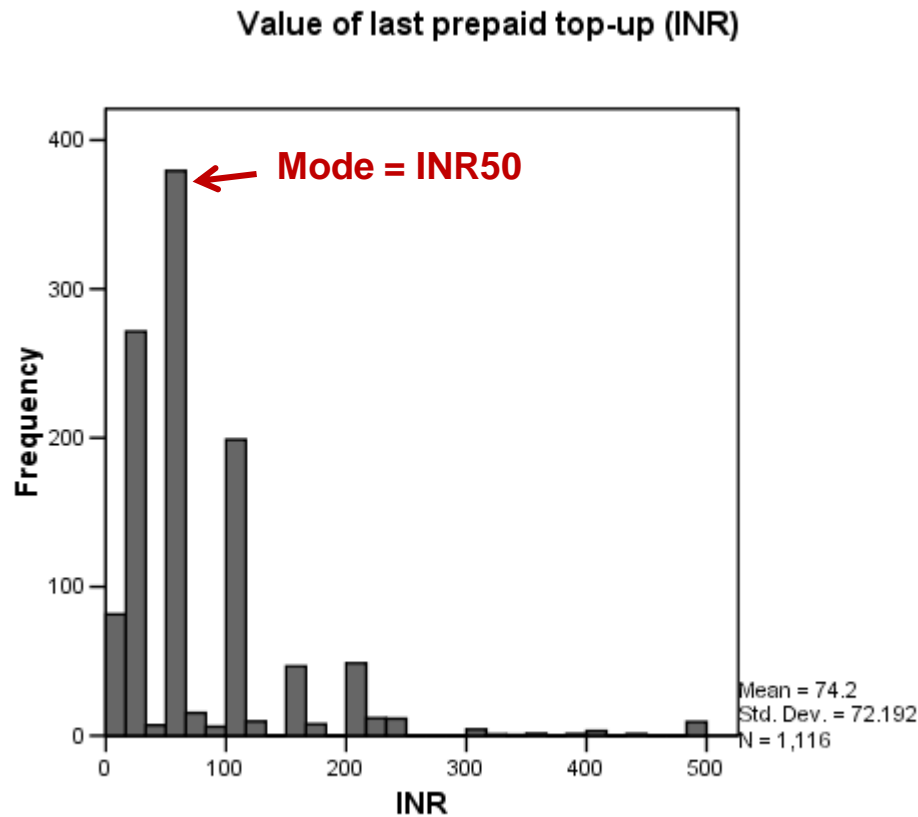
Pro-poor. Pro-market.

Other countries in 2008: catering to low daily income



India 2008: Most BOP Indian mobile owners topped-up for USD1.24

Compare with USD 5 or USD 10 top-ups in Myanmar



Phones largely used for social purposes, with some business-related use

- Hard to make a distinction due to large overlap between social/familial and livelihood networks
 - Many rely on support from within their own household for the business (labor, finance, etc) → no great need for business communication across distance?
- Face-to-face communication sometimes preferred to ensure quality supplies and fair price
- Business contacts/employees etc. don't always have a phone to communicate with them on

"Having a phone is better than not having a phone. I can call shopkeepers if need anything."

Zaw, Tea shop owner, 34, Mandalay



Types of business/livelihood-related use

Coordination with customers



"A lot of my customers call me before they come to the shop to inquire if I'm there. I can also inform them to collect their product when it is repaired. About 60% of my phone contacts are customers."

Htay, electrician, 33 Nay Pyi Taw



"If I have phone, [clients] can call me anytime. Before it was very difficult for me to communicate with them without phone."
Hlaing, Photographer, 22, Mandalay



Types of business/livelihood-related use

(cont'd)

Coordination with suppliers



Aung, dumpling seller,
Yangon:
Uses phone to inform
supplier when in need of
more supply

Information gathering via apps and Internet to improve service/product



*“ Sometimes I spend 5,000
kyats in 5 days. It is more
than I can afford. My
customers want to know
the football score so I dial
the call center number
1876 for them to inquire
the score and it costs 300
kyats/minute and many
times they do not pay.”
Zaw ,Journal seller, 35*



Types of business/livelihood-related use

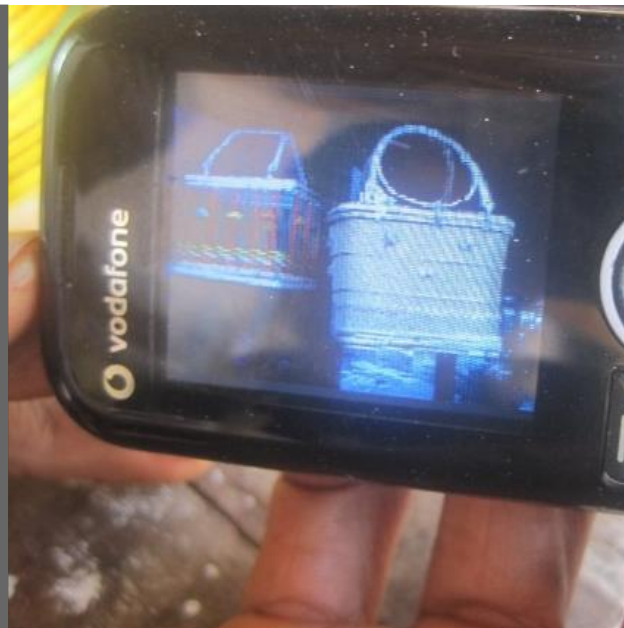
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Resale of minutes



Phyu (25, tailor, Naypidaw) used her personal phone as a pay phone and charged MMK100/min for outgoing and MMK50/min incoming calls

Use of phone as 'digital portfolio'

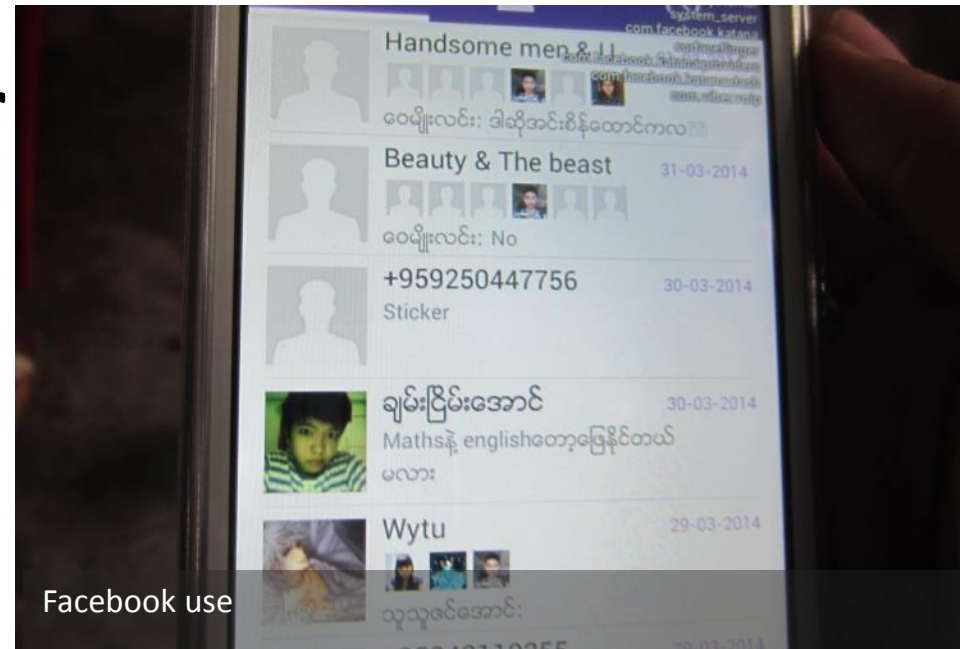


Htwe (44, Souvenir maker, Nay Pyi Taw) shows customers photos on his phone of basket designs which he can make



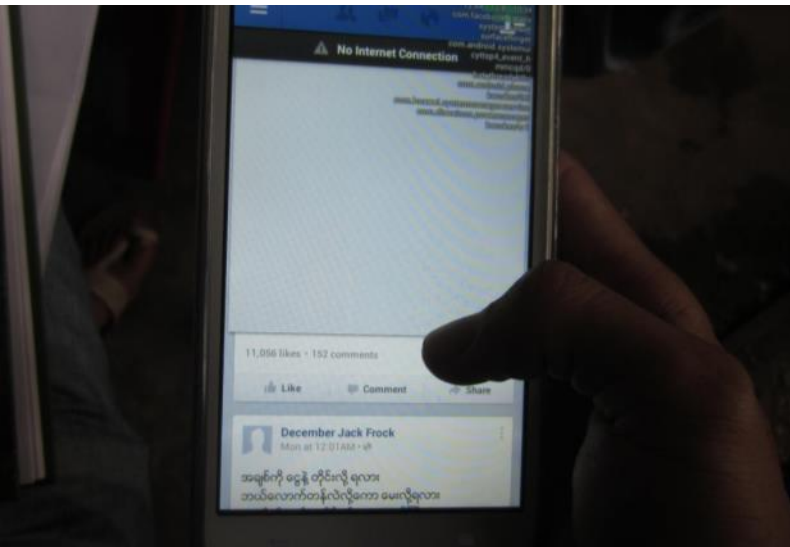
Beyond calling and SMS: some MEs use mobiles for *more-than-voice*

- Songs, games (Talking Tom)
- Viber
- Facebook
 - beauty parlour owners keeping up to date on trends, techniques
- Sports info service
- File sharing (Zapya, Xender)

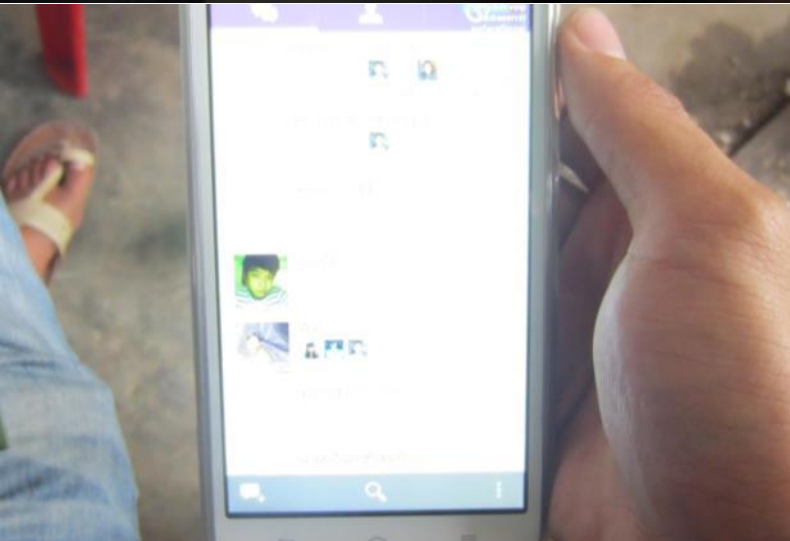




Majority don't use the internet



- MEs did not have internet on their phone, did not even know how to use it
- But some did use internet
 - Complained of slow connection speed
 - Complained of high cost of Internet (MMK2/minute)



Per min cheaper than Sri Lanka. But to download the same file, 8x more expensive

| LKR per minute | Converted to MMK/min equivalent |
|----------------|---------------------------------|
| 0.67 | 4.98 |
| 0.42 | 3.11 |
| 0.33 | 2.49 |
| 0.28 | 2.08 |
| 0.28 | 2.08 |



- PERSONAL
- BUSINESS
- ABOUT
- SUPPORT
- CAREERS
- MOBILE
- FIXED LINE
- BROADBAND
- TELEVISION
- LOYALTY
- INTERNATIONAL

- BROADBAND
- Mobile Broadband
- Wi-Fi
- Fixed Broadband

You are here : Personal » Broadband » HSPA » Prepaid Plans » Time Based Packages

Time Based Packages

| Internet Browsing Time | Price (Rs.) | Validity Period | Speed Check Applies at | Activation Code | TRC Reference No. |
|------------------------|-------------|-----------------|------------------------|-----------------|-------------------|
| 30 minutes | 20.00 | 1 day | N/A | KBB 20 | |
| 2 hours | 50.00 | 3 days | N/A | KBB 50 | |
| 5 hours* | 100.00 | 5 days | 500 MB | KBB 100 | TRC/D/10/20(P) |
| 12 hours* | 200.00 | 5 days | 1 GB | KBB 200 | TRC/D/10/20(P) |
| 24 hours* | 400.00 | 7 days | 2 GB | KBB 400 | |

Rs. 1.00 + taxes per 1MB will be applicable after completion of Internet Browsing Time or validity period.

*While you will enjoy unlimited Internet browsing speed will reduce when the speed check is exceeded.

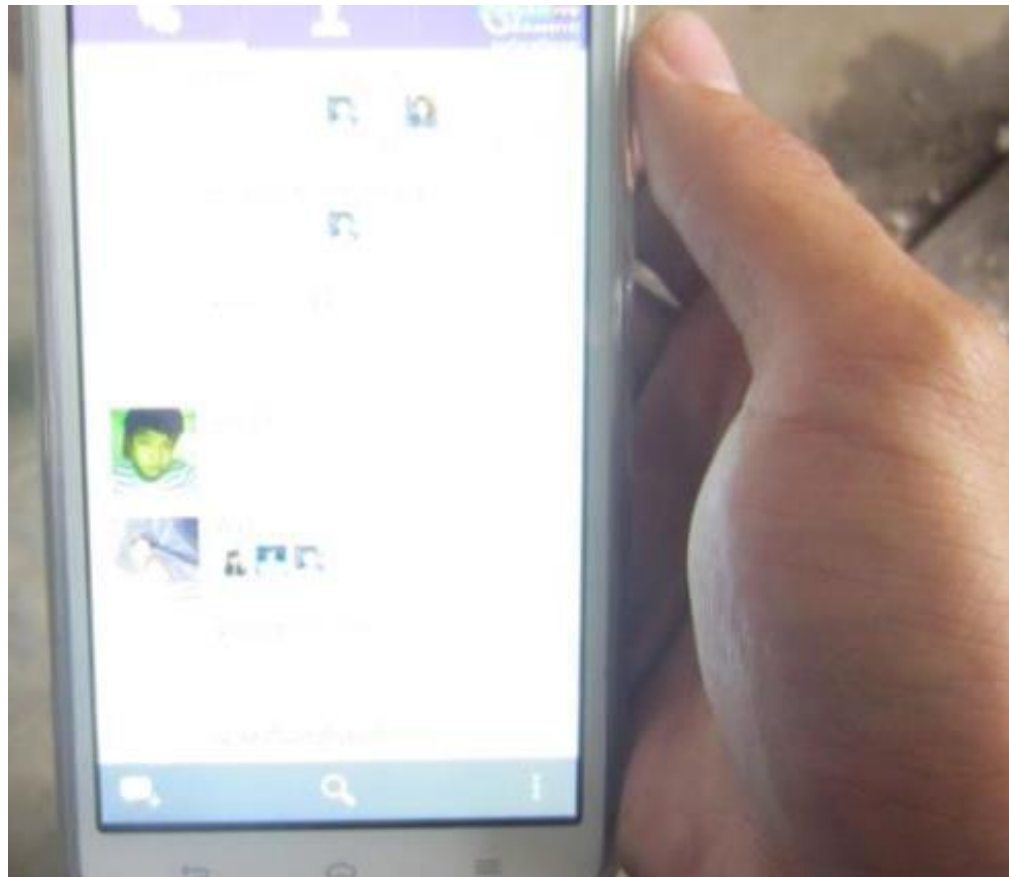
← 2 = current price in Myanmar





Main complaints are poor quality (voice + data) and high price (data)

- Viber used by small number of MEs as a way of getting around high prices



Those without phones used neighbours' or Public Call Office (PCO) and paid a premium



| Activity, for non-owners | Min observed | Max observed |
|--------------------------|--------------|--------------|
| Outgoing (MMK/min) | 100 | 550 |
| Incoming (MMK/min) | Free, 50 | 200 |

- Lower prices paid by phone owners
 - Incoming: free
 - Outgoing voice: MMK 50 per minute
 - Outgoing SMS: MMK 25 per SMS



Outgoing PCO call rates (MMK/min)



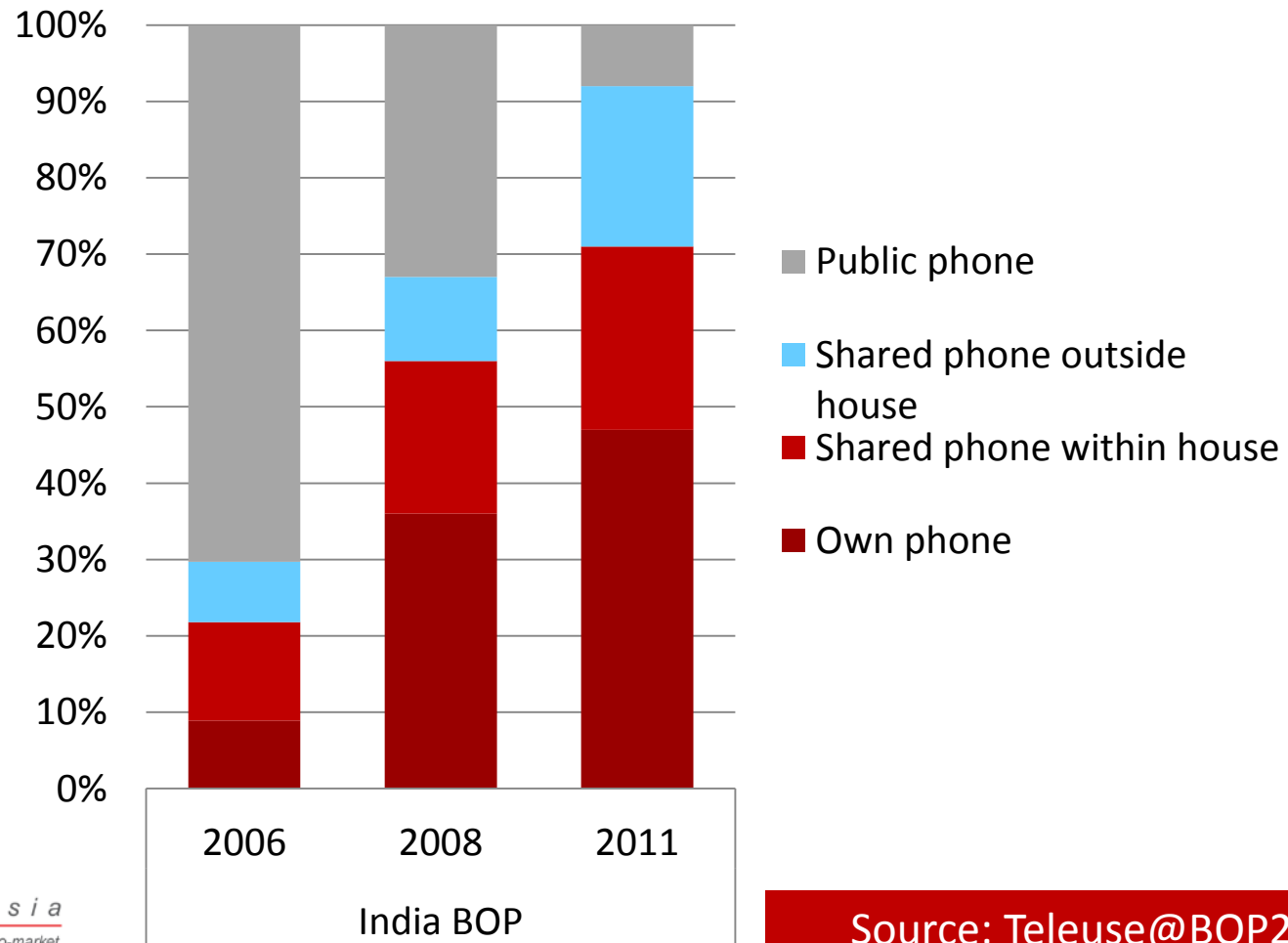
Most frequent values

Incoming PCO call rates (MMK/min)



Other countries: Asian BOP used to share phones, but not anymore. Indian example

Most frequently used phone





USE OF FINANCIAL SERVICES



Almost none had a bank account

- Making deposits and withdrawals seen too tedious a process
- Fear of losing money (distrust in banking system)
- Banks only used for money transfer



A branch of KBZ bank in Yangon

"I cannot withdraw money from the bank at the time I want."

Ishaan, 29, PCO owner, Yangon



Money transfer via banks seen as reasonably efficient & reliable by some

Htay (electrician, Nay Pyi Taw) transferred money via KBZ bank to his wife's house once. He transferred 50,000 MMK and paid 700 MMK service fee



- No bank account required
- ID card needed, plus ID card of sender/recipient needed
- Bank informs recipient when money has been transferred



However, sending money in person preferred by others (if option exists)

Than (slipper maker, Mawlamying) used to transfer money to his suppliers in Yangon but as it used to take too long in bank so he started sending through express cars. He only needs to provide the name and ID-card number of the recipient and it is transferred within no time. For each transaction he pays a flat fee of MMK500 to the car station

Phones used in transfer coordination in formal and informal transfers



Htut (Carpenter, Mandalay) receives remittances from his contractor in Yangon regularly at CB bank.

Doesn't take much time to withdraw the money. He only has to show his ID card.

Earlier when he worked in Yangon he used to similarly remit money to his family back home. Once money arrives, banks call to inform.

Ramon (DVD seller, Yangon), sent money through a private travel company. He noted down the vehicle number and informed his parents through the phone to collect the parcel from the driver.

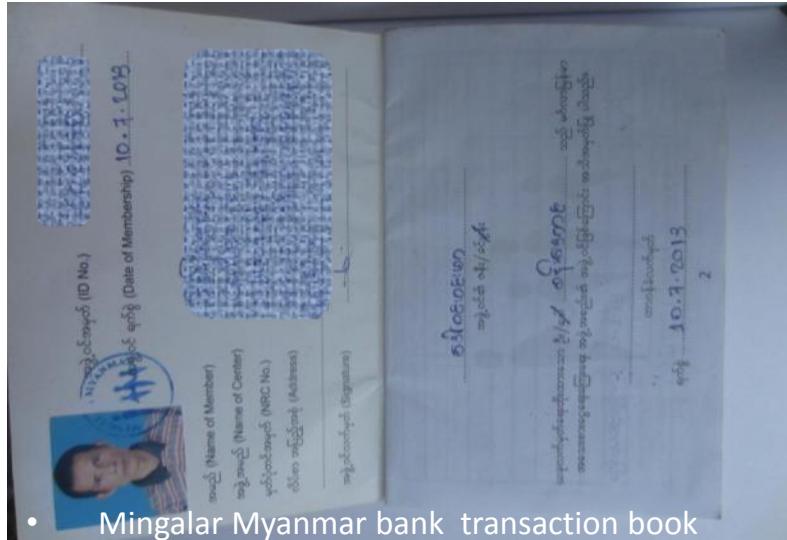
Savings: Enforced daily savings preferred

- Group savings: pay in daily, pool given to each contribute according to schedule

*"It is a must to give daily in a group as someone comes and collects money while I might not go everyday to deposit money in the bank."
Ishaan, 29, PCO owner, Yangon*

- Saving cash
 - In boxes
 - Inside the bamboo pole propping up the house
- Saving as gold
 - pay in when ever there is extra money (to gold shop)
 - 'buy' (i.e. take gold home) when 100% of payment done

Loans: a few had obtained MFI loans in the past



• Mingalar Myanmar bank transaction book



• Mingalar Myanmar membership card

| Name | Occupation | MFI | Loan amount (MMK) | Purpose | Interest | Period |
|-------|---------------|-------------------------------|-------------------|---|----------|---------|
| Nanda | Wood sculptor | Mingalar Myanmar Organisation | 150,000 | house rent | 20% | 1 year |
| Cho | Longyi making | World Vision | 50,000 | household expenses during period of no work | 2.5% | 54 days |



Loans: Informal financial services dominate



Mima, ferry woman



Soe, potter

- Mima (The ferry woman, Bago) borrowed MMK50,000-60,000) from an informal money lender come pawn shop owner at 4% interest rate per month.
- Than (Fishmonger, Bago) borrowed MMK100,000 Kyats from a money lender 2 years ago and had to pay a daily interest of 2000 Kyats to him. She 'reinvested' this money to buy fish for the next day.
- Soe (Potter , Bago) borrowed money from the money lender at the monthly interest rate of 20% to pay for his children's tuition and school fees during the rainy season when his business was loss.
- Cho (Seed Seller, Bago) borrowed money from a money lender at 2% interest rate per month to start her business.

Loans: Informal financial services dominate. High interest paid by MEs



Informal money lender, Nay Pyi Taw

- Most of the MEs took loans from one of 2 sources
- informal money lenders
 - Charge interest 4 - 20% monthly
- legal pawn brokers
 - Charge 2.5 - 4% monthly
- Loan size between MMK20,000-300,000
- Repayment usually over 3-6 months
- Loans usually sought to start up business, cover medical costs or tide over during periods when ME unable to work



ACCESS TO GOVERNMENT SERVICES

MEs interact with Quarter/ward heads on a number of matters

- Sandi elected Ward leader in 2010
- Responsible for 100 households
- What he does:
 - Maintains overnight list for his ward
 - Provides recommendation letters for loans, etc
 - Obtains electricity connections for the ward (for a fee of MMK10,000)
 - Approves new business locations of MEs
 - Holds regular meetings with local household heads in his ward to discuss ward affairs
- Also acts as an electricity bill collector for a few houses in his ward every month



Thida (laundry lady, Nay Pyi Taw) does not have a family registration so has to register with the local quarter office daily. She has to show her ID card and old receipt to get her name added to the overnight list.



Access to other government services seen as tedious

- Tedious process
 - Don't know who to approach
- Costly process
 - Time cost
 - Monetary cost

“ I don't want to waste time in going to office to pay the [electricity] bill. It takes about an hour as I have to wait for a long time. Moreover, I will be paying the same amount as would be spending on transportation. ”

Olivia, 33, Hair Dresser, Yangon



Various approaches used to reduce transaction cost of dealing with govt. directly.

Willing to pay for convenience

WAYS OF PAYING ELECTRICITY BILLS

- Some MEs went to the Electricity Board office to pay the bill themselves.
- Some MEs paid the electricity bill through a common bill collector in the neighborhood paying MMK200 service fee.
- Some of the respondents paid the bill to the car that was sent from the electricity office between 11th and 23rd of every month paying MMK200 service fee.
- One ME mentioned that in his locality, people took turns to collect the bills.



Bill collecting vehicle in Mandalay



Identification (personal and/or family) required for access to most services



• Identity card



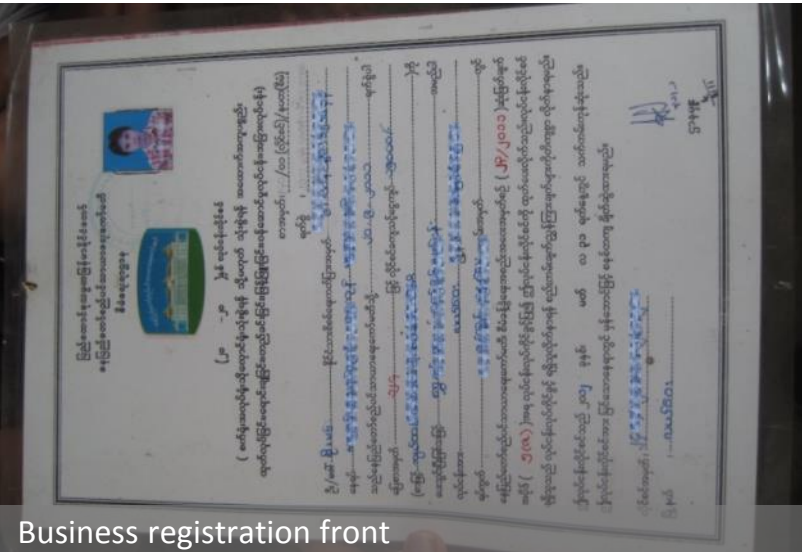
• Family registration card



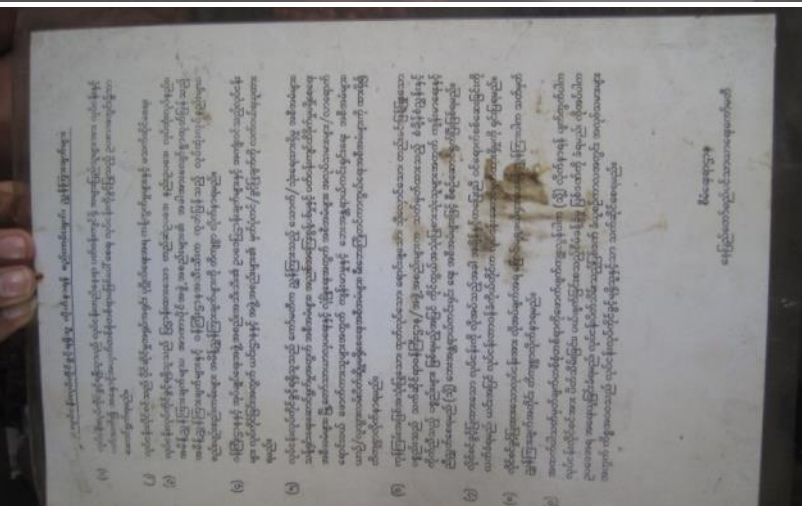
Crystals (32, fan seller , Yangon) lost her ID card and family registration in 2008 Nargis cyclone and goes every week to add her name to the overnight list



Most MEs had not formalized their business through registration with govt.



Business registration front



Business registration back

- Htay (electrician, Nay Pyi Taw) registered 7 years ago, paying MMK15,000 (\$15)
- He was told by friends he need not go to the office, the Municipal Corporation (MC) will approach him directly
- MC came right after he opened his shop in the market
- Registration took 6 months
- He pays MMK20,000/year (\$20) to renew it after that



Other types of registration/license

- With associations
 - Phya (Rents CDs, Mawlamyine) had to obtain license to rent CDs from CD organisation from whom she heard about by word of mouth. Pays fee of MMK3,000/year. She submitted a copy of her family registration card, phone number and address while applying for the license
- Driving license
 - Registration with Land Transport Office
 - Form, photo, ID card with copy
 - Practical + oral test
 - MMK10,000; more if you use broker
- Motorbike registration
 - Family registration , ID card + copies; fee depends on engine power



Various kinds of taxes/rates/donations paid by MEs

- Land tax
- Garbage tax
- Market tax
- Some report tax/rate collection stopped after presidential elections



"They don't show up anymore. It stopped after the last presidential elections."

Laura, 22, Banana Seller, Yangon

Land tax

LAND TAX (as reported by respondents)

| | | | |
|---------------------|--|---------------|----------|
| Collected by | Collectors from local city development committees (YCDC, MCDC, etc) | | |
| Who pays | Unclear exactly who, but some MEs mentioned that in Mandalay those who operate from home don't pay | | |
| Frequency | Varies (monthly, six-monthly, annually) | | |
| Examples of amounts | 200/month | 400-500/month | 650/year |



Zaw (Journal seller, Naypyidaw) paid MMK650 /year land tax for the farm he owned to the Municipal Corporation Department. The staff from the local Quarter office came to collect tax door to door.

Market tax



MARKET TAX (as reported by respondents)

| | | | | |
|---------------------|---|-----------|---------|---------|
| Collected by | Market leader | | | |
| On | Those with permanent and temporary shops >5 sq. Feet | | | |
| Frequency | Usually daily | | | |
| By | Private companies/individuals appointed by city municipal corporations via tender | | | |
| Purpose | Market maintenance | | | |
| Examples of amounts | 100/month | 300/month | 200/day | 200/day |

Nu, market leader collecting a daily tax in Bago

Garbage tax

GARBAGE TAX (as reported by respondents)

| | | |
|-----------------------------|--|----------|
| Collected by | City municipal corporation | |
| Frequency | Commercial locations - daily; residential locations - once in three months | |
| Purpose | Collection of garbage | |
| Examples of amounts paid | 100/day | 500/year |



A YCDC staff collecting garbage in Yangon

Donations to Pagoda or other social cause associations common

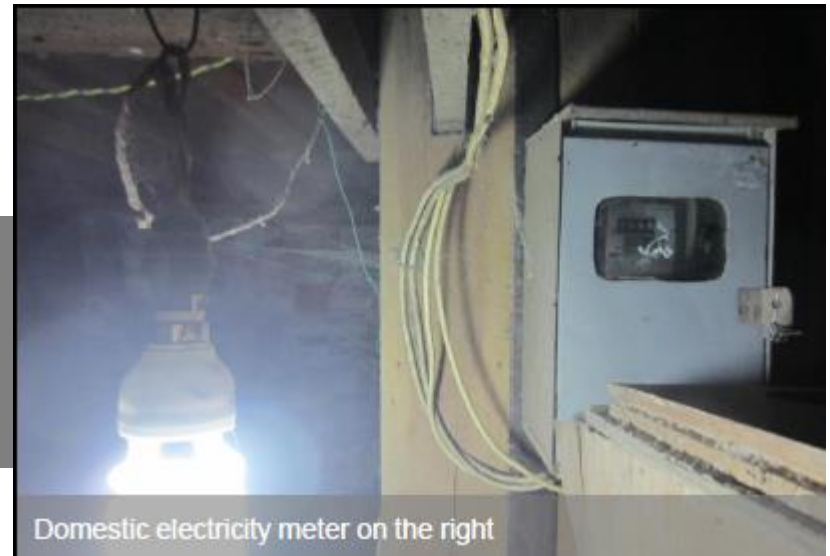
- Donations at the Pagoda or to a group/association for a social cause was very common. Some MEs gave donation at the Pagoda every month.
- Tun (makes decoration umbrellas, Mandalay) paid a monthly donation of MMK1,500 to Pagoda trustee.
- Than (makes jade bracelets, Mandalay) made contributions on special festivals.
“We are asked to make cash contributions on certain occasions like communal robe offerings.”
- Kyaw (flower seller, Mandalay) paid MMK200 everyday to the Pagoda trustee. Everyday around 12 p.m. the trustee came to collect the money.
- Lin (pony cart driver, Naypyidaw) donated MMK1000) to the social group that collected funds for sick people in the locality.
- Min (Mohinga-traditional salad seller, Naypyidaw) donated some amount at the Pagoda for the future of his children every year.



Electricity: Most MEs were on the grid

- Approx. cost MMK250,000-500,000 to get connected
 - Monthly spend ~ MMK4,000-7,000
 - Some shared meters, paying flat amounts or % shares for a month

Chit (cheroot maker, Bago) obtained an electricity connection 1 year ago. She paid 265,000 kyats and got it in 20 days. She had to submit her ID and family registration.



Domestic electricity meter on the right

Some sceptical about new digital meters



- Meters mostly changed in Nay Pyi Taw
- Maintenance fee for digital meter MMK500 (analog MMK1000)
- Some thought that their bills had gone up since the new meters were installed and didn't like the fact that they couldn't see the readings from the ground

MEs working in variable locations used battery run lamps after dark

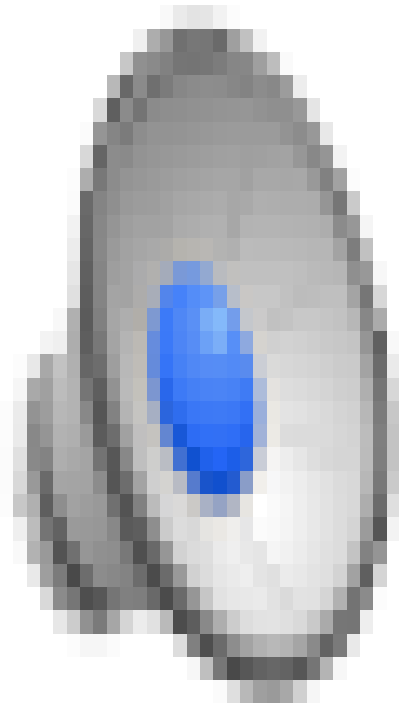


Battery run lamps on the street, Yangon

Chan (strawberry seller, Yangon) paid 600 kyats (\$0.6) for his lamp everyday. The distributor gave it by 6 p.m. and collected it by 10 p.m. everyday.

**WHAT HAVE MOBILE PHONES DONE
FOR THEM?**

First, a video from Sri Lanka



THET: WOOD SCULPTOR, MANDALAY



Age: 45

Education: grade 8

SEC: D

Business location: fixed





EMPLOYEES

His whole family (except his son) and his wife's sister's son helps him in his work. Does not need to pay anything to his family members. But pays to his nephew.

SUPPLIERS

He buys wood logs from various shops at transport jetty.

Chisels he buys from U Bain's bridge and gold stickers from Payagyi since his learning (apprenticeship) days.

SERVICES

TRANSPORT

He comes to work on his motorbike.

He also brings small wood logs on motorbike and brings bigwood logs on trishaw.

ELECTRICITY

He gets electricity from pagoda and uses for cutter machine.

OTHERS

He pays fixed monthly donation to Pagoda for working from there.

1998

He's in this profession for 18 years. After learning for two years he opened business & started working independently from home. But since he could not have direct interaction with customers, he opened a shop.

One of his students advised him to open a shop in Pagoda.



CUSTOMERS

He has some regular customers who also refer him to others.

Besides that he gives a receipt to his customers indicating charges and date of delivery.

He also gives his contact number to his regular customers to confirm about their order.



USAGE PATTERN

- CALLING SUPLIERS AND RELATIVES
- CUSTOMERS CALLING TO CONFIRM ORDER
- PLAYS GAMES AND LISTENS TO MUSIC

BEFORE

He used the PCO service earlier to call relatives and friends. For an incoming call he was charged 50 Kyats per minute and for an outgoing call 100 Kyats per minute.

Bought second hand phone in 2014 and SIM card for 150,000 Kyats from his friend

Last month sold this second hand phone and bought second hand smart phone from his friend. Paid 100,000 Kyat

Learnt how to use the phone from his friends and son

AFTER

A lot of his customers now contact him on his phone to place their order and also to confirm if the order is ready.

INCOME AND EXPENDITURE



Wood logs

Gold stickers

Chisels

| INCOME | |
|---------------------------|------------------------|
| WOOD CARVING | 240,000 Kyats/month |
| BUSINESS EXPENDITURE | |
| FIXED / ONE TIME COSTS | |
| CHISELS | 3,500 kyats |
| MOTORBIKE | 2,00,000 kyats |
| MOBILE HANDSET & SIM CARD | 1,00,000 kyats |
| FREQUENT / VARIABLE COSTS | |
| DONATION TO PAGODA | 3,000 Kyats/month |
| WOOD LOG | 400 kyats per log |
| GOLD STICKERS | 7,500 kyats per roll |
| ELECTRICITY | 1,500 kyats/month |
| WATER | 400 kyats/20 litre can |
| PETROL | 500 kyats per day |
| PHONE TOP UPS | 5000 kyats/ month |

Monthly Income: about 240,000
Monthly variable costs : about 220,000

ZAW: JOURNAL SELLER, NAY PYI TAW



Age: 35

Education: grade 8

SEC: E

Business location: mobile

Other activities: Selling lottery tickets; farming



ENTERPRISE MANAGEMENT – ZAW journal seller)

EMPLOYEES

Hires boys to distribute the news journals when he falls sick and is unable to go.

SUPPLIERS

Paid a 2500 kyats deposit to the distributor to start the business.

Frequently buys journals and newspapers from the distributor on credit.

Contacts a publishing house in Yangon if journals are not available.

SERVICES

FINANCE

He has an account in Myanmar Agricultural Bank since three years. Used a loan for his relatives from the bank. Does not save in the bank.

GOVERNMENT

Copy of ID and Family Registration given to the ex Army Director General for permission to distribute journals in the area

TRANSPORT

Used a motorbike and a bicycle for collecting and distributing news journals

2010

Sudden drop in Black Gram prices, forces farmer, Zaw, to start a new business. Begins selling newspapers and journals

Observed different locations before he started selling.



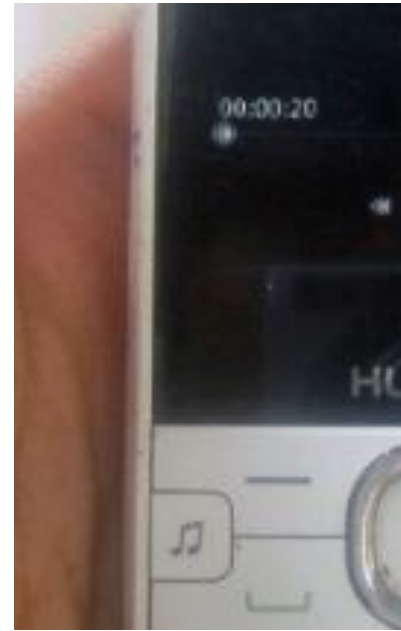
CUSTOMERS

Business improves with VIPs visiting the city for conferences held every 3-4 months.

MOBILE JOURNEY & USAGE



“ Sometimes I spend 5000 kyats in 5 days. It is more than I can afford. My customers want to know the football score so I dial the call center number 1876 for them to inquire the score and it costs 300 kyats/minute and many times they do not pay.”



- VOICE CALLS TO CUSTOMERS, SUPPLIERS AND RELATIVES
- SMSs TO SISTER IN YANGON
- PLAYS GAMES
- LISTENS TO MUSIC AND LITERARY TALKS BY MONKS
- VOICE CALL TO A CALL CENTER ABOUT FOOTBALL SCORES

BEFORE

Used the PCO service to call relatives and friends, and was contacted by customers through staff at a frequented restaurant.

Bought SIM card for 100,000 kyats in installments in 2012

Learnt how to use the phone at the mobile shop

Wins the SIM card lottery in 2013

Bought a Huawei handset for about 45,000 kyats

Prints his number on his visiting card to circulate it

Gives free SIM to his wife and buys her a qwerty phone

AFTER

Customers contact him on his phone to subscribe to new journals, to inform if they are going out of town and want to stop the journals for a few days and for any other information required. He contacts his suppliers through phone

INCOME AND EXPENDITURE



**NEWSPAPER
MERCHANDISE**

NEWSPAPERS

INCOME

| | |
|--------------------------------------|-----------------------------------|
| SELLING NEWSPAPERS | 75,000 kyats-1,80,000 kyats/month |
| AGRICULTURE (Paddy and Sesame field) | 2,00,000 kyats from each |
| LOTTERY TICKETS | 70 kyats / ticket |

BUSINESS EXPENDITURE

FIXED / ONE TIME COSTS

| | |
|----------------------|----------------|
| DISTRIBUTION DEPOSIT | 2500 kyats |
| MOTORBIKE | 1,00,000 kyats |
| GSM SIM CARD | 1,00,000 kyats |
| MOBILE HANDSET | 45000 kyats |

FREQUENT / VARIABLE COSTS

| | |
|--|------------------------------|
| FUEL | 1000 kyats/day |
| NEWSPAPERS AND JOURNALS | 25,000-30,000 kyats daily |
| SUBSTITUTE PAPERBOY | 2,x`x`000 kyats/day |
| SELLS LOTTERY TICKET | 230 kyats/ticket |
| AGRICULTURE (Buying seeds and paying labour) | 450,000-500,000 kyats/year |
| PHONE TOP UPS | 5,000 kyats/(1 week-1 month) |

Monthly Income: about 780,000

Monthly variable costs : about 720,000



CHAN: STRAWBERRY SELLER, YANGON

Age: 22

Education: Primary

SEC: D

Business location: variable



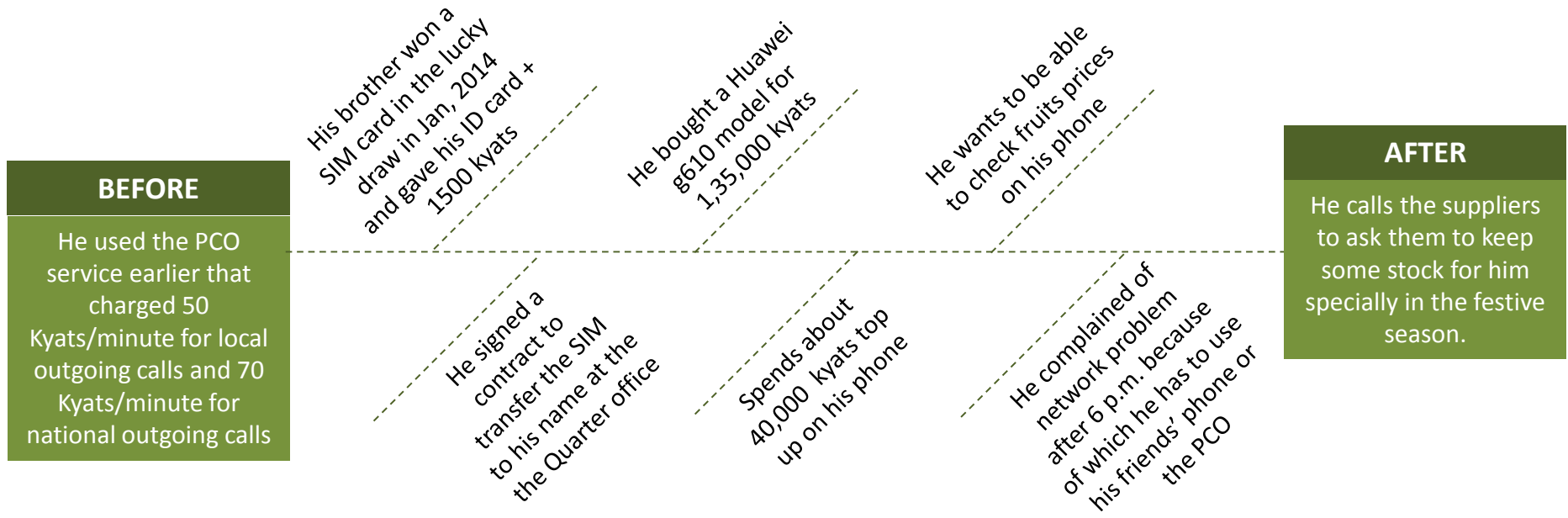
MOBILE JOURNEY & USAGE



"Sometimes I call the supplier to tell him to leave a few fruits for me, there is no other way to let him know I will be coming as fruits get over fast during festive seasons"



- CALLING SUPPLIERS ASKING HIM TO RESERVE SOME STRAWBERRIES FOR HIM
- SMS
- PHONE CAMERA, RADIO
- USES FILE SHARING APPS AND FEATURES LIKE ZAPYA, FLASH TRANSFER AND BLUETOOTH
- GETS SONGS FROM MOBILE SHOPS IN HIS MEMORY CARD
- WANTS TO LEARN ENGLISH TO BE ABLE TO USE VIBER, FACEBOOK , AND READ NEWS.



INCOME AND EXPENDITURE

| INCOME | |
|---------------------------|--------------------------|
| SELLING STRAWBERRIES | 210,000 kyats/month |
| BUSINESS EXPENDITURE | |
| FIXED / ONE TIME COSTS | |
| MOBILE HANDSET | 135,000 kyats |
| LUCKYDRAW SIM CARD | 1500 kyats |
| INTERNET | 10,000 Kyats |
| FREQUENT / VARIABLE COSTS | |
| STRAWBERRIES | 12,000 kyats/day |
| ACCESSORIES | 8,000 kyats in 2-4 weeks |
| TAXI | 400-500 kyats/day |
| BATTERY RUN LAMP | 600 kyats/day |
| RENTED STORE ROOM | 300 kyats/day |
| PHONE TOP UPS | 40,000 kyats/month |
| OTHER EXPENDITURE | |
| FREQUENT/VARIABLE COSTS | |
| GROUP SAVINGS | 1000 Kyats/day |
| MEALS | 2000 Kyats/day |



How do we move from this → hope in their hearts, money in their pockets?

- Today: few social/business contacts have phones
 - We can document a few benefits
- Over time: More positive effects as the mobile-using network expands
 - Documented evidence exists from other countries
 - E.g. Jensen (2007) about Kerala (India) fishers
- Over time: content, apps, services
 - Documented evidence exists in other countries
 - E.g. Parker (2012) on Reuters Market Light, India