



Dr. Inderpal Singh, Mumick, Founder & CEO, Kirusa

Kirusa specialises in voice messaging and social media apps which are offered in partnership with more than 35 mobile carriers in Africa, the Middle East, India and Latin America, as well as via app stores. Its solutions are built on patented technology and scalable multimodal cloud platforms which,

according to the company, process more than one billion events a month.

Headquartered in the US, Kirusa was founded by Dr. Inderpal Singh Mumick who says Africa offers the firm its biggest markets. “Today, we are present in 16 countries, from Senegal in the west to Tanzania and Madagascar in the east, and as far south as Zambia and Zimbabwe. We cover some of the largest population areas, like Nigeria in the English-speaking world as well as the DRC which is the largest French-speaking country in Africa.

“We provide a range of mobile services that help give people their voice – sometimes quite literally – and be a part of the telecoms revolution. The services could be what some people in the west consider basic ones for communication and entertainment, or they could be enterprise services used by corporations to communicate with customers.

“The term ‘value-added services’ is used to include a lot of services, and in some sense it’s almost like a business paradigm where the operator uses a revenue share model to work with a partner like us or other players. We take a broader view. VAS are not just entertainment; they can also include services that are linked to voice and SMS, and fall into the category of call completion services. These allow greater network utilisation and encourage more people to complete calls.

“Let me give you an example. We have a service called *InstaVoice* where we have more than 1.8 billion calls coming into our network. Over 90 per cent of these are in Africa. *InstaVoice* is most closely related to what people in the west experience as voicemail. But what we have developed is a unique combination of missed calls, voicemail and voice SMS. This is presented to users with several of the operators that we work with.

“With *InstaVoice* we have changed the business model of voicemail. For example, in the US or in the UK, if you make a call to somebody and it goes to voicemail, you start paying the second the system picks it up. We decided to create a system that doesn’t charge just because a call is picked up by the voicemail system.

“So even after a call is picked up by our *InstaVoice* voicemail system, the sender can choose to not leave a message and not pay. They can simply give the recipient a missed call, which is something users in Africa often like to do. Or they can opt to leave a message and it is then that they pay the charges for the call.”

Mumick continues by saying *InstaVoice* is the first app that has been built that actually gives users information about the missed calls they are receiving, and even works when a subscriber has multiple SIM cards.

“In emerging markets, most people have two or sometimes even three SIMs. That is true of almost everybody in Nigeria, Congo or Ghana. But they only carry one phone with them and usually do not have all their SIMs in that device. However, *InstaVoice* is able to deliver all missed calls coming to any of the user’s SIM cards as if it were a single card on a single phone.”

For the service to work in Africa, Mumick says working closely with operators is essential. “In many countries, all the operators have partnered with us because we have created an ecosystem. Here, not only have we changed the business model of the service, we have also changed the technology model where the service works from the cloud and provides seamless interconnectivity between the operators.”

In terms of the challenges of working on the continent, he believes the VAS market is presently in a “state of transition” with smartphone penetration still very small but growing. Mumick also has high hopes for LTE which is starting to be deployed in some countries. But apart from all that, he describes Africa as a “tough” continent to work in.

“There is also the political risk in some countries which requires careful management within the company. A few years ago it was in Ivory Coast; last year and today it is in Burundi. We had a lot of interest from Burundi and even signed contracts, but we cannot really execute on them due to the political situation that is prevailing there.”

Business in Nigeria – Africa’s most populous country and biggest oil producer – has also become difficult. With the global collapse of oil prices, in February 2015 the Central Bank of Nigeria tried to stem the naira’s record drop in value by extending trading curbs and introducing bans on purchases of dollars by certain importers. The country’s government continues to resist calls for the currency to be devalued further.

Mumick says all this has had a huge impact on companies doing business in Nigeria. He adds that the NCC’s billion dollar fine imposed on MTN has also “unnerved” a lot of people.

Despite all the challenges, Mumick says Kirusa continued to build very strong business in Africa. “In 2015 we crossed 60 billion calls on our network. We have entered 16 countries in Africa, had 90 million monthly customers using our services by the end of 2015, and since then it has surpassed 100 million monthly active users on our networks.

“Our revenues have grown very handsomely in Africa as traffic and usage is growing. We signed more than a dozen operator partnerships last year – MTN in Zambia and Ivory Coast, Vodacom in DRC, Airtel in Congo and Madagascar, and more. Some of them have been launched while others are still in the pipeline and will be announced once they have launched.

“As well as growing relationships with some of the operators, we have also launched new products. “For example, *myGenie* is an advertising platform and a way for users to get free airtime by discovering and downloading apps. *myGenie* was launched in India and we had a very good response there and so we are now taking it into Africa. Right now we have people working out the logistics to launch it in Nigeria.”

Earlier this year, Kirusa also unveiled *InstaVoice Ring* which offers subscribers an opportunity to give a free missed call to a person at any time, even when they do not have enough balance to make a call. The company says this encourages the recipient to get in touch with the caller, also helps mobile carriers convert a missed opportunity into a completed call, along with generating a new revenue stream. It claims *InstaVoice Ring* is a world first as it addresses the challenges of pre-paid callers when they are out of balance. With such products, the company is therefore able to deliver VAS in markets dominated by pre-paid users and a low smartphone penetration.

“The market is changing and I think the pace of change depends on who you talk to and which country you talk about. But everybody agrees that feature phone and non-smartphone users continue to be the majority of mobile customers in Africa, ranging anywhere from 60 to 85 per cent.”

He also points out that many users on the continent who currently have smartphones are not actually using data, so this also continues to be a challenge for the operators. As well as the expenses of data connections, Mumick says more education is needed here, and that the operators are working hard to get data services and relevant apps in front of people.

“We have been very successful in Africa in coming up with services that work with feature phones. But we have now changed that approach in two ways. Firstly, we have developed services that interoperate with

apps and feature phones in a seamless fashion. *InstaVoice* is a perfect example of that. We find that there is a far better experience and greater utilisation when customers use the app to access the service rather than via SMS on a feature phone; you can get almost double the amount of usage with the smartphone app. We see this as very positive and are continuing to invest in the app and develop it further.

"Secondly, we are going to introduce services that leverage the smartphone and the app ecosystem and aim to be one of the early movers in that. The *myGenie* service is a perfect example of how we can help grow the ecosystem in a pre-paid environment. It provides an advertising-based platform to help developers get their apps into the hands of users. So even if those users are moving to smartphones, pre-paid continues to be the dominant factor. Smartphone users continue to be much more on pre-paid rather than post-paid plans. And that will continue in Africa."



Herman Singh,
Chief digital
officer,
MTN Group

According to Herman Singh, ICT is often compared to oxygen – you can't really live without it. He believes this is especially true in the digital era where the way we work, live, learn, interact and advance within our respective societies depends on the digital revolution that is powered by

sophisticated telecommunications networks.

"The future of any brand is determined in the moment in the digital world, where customers are moving *en masse* to digital channels, forcing businesses to find relevant and creative ways to deliver a great digital customer experience.

"The trend of declining voice revenues and changing telecommunications landscape has forced operators to hunt for new revenue streams. With all the changes to compete and create competitive advantage in this new digital world, operators have to deliver an exceptional digital customer experience."

Singh says MTN has pioneered a concept in which its businesses in 22 countries across Africa and the Middle East are focused purely on delivering a distinct customer experience. In essence, he says the company is driven by an ambition to provide digital services and moving to adjacent industries, such as financial services, e-commerce, digital media such as music gaming and video, and enterprise services such as M2M.

All this has also been encouraged by a burgeoning demand for data in Africa, says Singh. "While the transition to data and digital services in Africa is less advanced, MTN has been aggressively positioning itself to take advantage of expanding data and digital services on the continent.

"The opportunity is too big to ignore. We are leveraging on our core competencies of a strong brand, knowledge of and access to customers, scale and distribution to take advantage of the digital services opportunities in Africa. This strategy has enabled us to focus on being at the forefront of the unfolding digital world by investing in increasing capacity and skills that are vital to partnering with digital content providers.

"As a result, it is no surprise that many do not know that MTN is now the largest distributor of digital music in Africa and has more than 800 companies providing 5,500 content services under their lifestyle offering."

To fast-track its move into providing a distinct digital experience for subscribers, MTN invested into Africa Internet Holdings (AIH) – a leading internet firm on the continent that has a presence in 23 countries. The investment in AIH gives MTN and its customers distinctive access to unique benefits with Jumia, Africa's number one shopping mall that is in 12 markets. Through AIH, MTN also offers subscribers access to Lamudi, Africa's leading real estate classified service available in 21 countries.

"With AIH partnership, MTN is able to deliver to its millions of African subscribers a range of internet services, including e-commerce retailing, as well as marketplace, taxi, travel, classified and food delivery services.

"This has empowered us to offer our subscribers in Africa a distinct customer experience through various digital platforms, such as Zando (a shoe and online fashion platform), HelloFood (a digital platform to order food from popular restaurants), and Vendito (a general classified ads platform)."

Furthermore, MTN has been delivering digital banking services to help transform people's lives by offering simple access to financial services such as mobile money. In 2015, the operator focused on what it describes as a "healthy provision" of mobile money services to the unbanked and underserved users by migrating its mobile money platform to a more agile one, enabling converged campaigns and incentives. This resulted in *MTN Mobile Money* customers rising by 56.3 per cent to 34.7 million across 15 countries in 2015.

One of MTN's success stories is in Nigeria, where the company's mobile money offering *Diamond Yellow* is gaining greater traction. The service currently has 6.2 million users,

and in 2016 MTN is planning to partner with banks and expand its agent network to be able to help the unbanked and underserved to do their banking on the go with ease.

MTN's Ghana operation also saw increasing demand for mobile money services, with uses increasing 23.8 per cent to two million in 2015. In the same period, Uganda experienced a 30.2 per cent increase in mobile money users to 9.5 million.

"We are proud that we are catalysts in the design of pragmatic digital solutions such as *MTN Mobile Money* that directly address the socio-economic needs prevalent in our markets. It is for this reason that we continue to position ourselves as a leading digital player through organic growth and partnerships, across our markets."

To continue to deliver a distinct customer experience, Singh says MTN is planning to offer more digital services across its African markets. "We have recently launched a cashless payment solution in Uganda and are aiming to rollout this to other markets in 2016. We are also in a process of launching a partnership with Uber Nigeria and MTN subscribers will get discounts on their first two rides in Lagos, Nigeria.

"All of this is being enabled by our investments in improving network quality and coverage in our markets, allowing us to focus on creating sustainable economic value through digital inclusion."



Nicholas Ford,
President of
carrier services,
IDT Europe

During a career with IDT that has so far spanned 17 years, Nicholas Ford has managed the company's expansion of its commercial buying operation into 10 countries, broadening his role to include Asia and Africa.

Out of all the regions covered by the company,

he says Africa is certainly the one that has the key focus from a growth perspective – so much so that it still has the company's largest business development team working on it.

"Globally, we have more than 500 direct routes and Africa is still one of those continents where there are more direct routes that we are keen to establish. One of the reasons for that is because we have about 30 billion minutes of traffic per year that we terminate over our network. Just over half of that comes from our retail customer base."

Ford points out that IDT is not your typical network operator as its retail customer base was historically generated in