

## New report provides African mobile apps industry insight

Consultancy and research company, Balancing Act, has released a new report entitled "Mobile apps for Africa: Strategies to make sense of free and paid apps" which analyses the nascent apps ecosystem in Africa while providing an analytical framework allowing African mobile operators or other stakeholders to decide on what strategy to adopt regarding mobile apps.



The 131-page report contains 15 illustrated boxes, 26 tables, 39 charts and two maps. It is divided into the distinctive parts:

- Part one: The users, the device and the usage;
- Part two: The developers and the content; and
- Part three: Distribution platforms and distribution strategies.

According to Isabelle Gross, the author of the report, there is sufficient evidence to indicate that smartphones will take a significant market share in Africa too. Usage surveys show that African mobile users are carrying out more and more "non-voice" activities on their phone. The rate of smartphone penetration in South Africa for example is promising and more African countries will follow on its path as smartphone prices will come down in the next two years.

The handset pyramid, which currently is made up of over 80% basic phones in some African countries, will be shifting in the next years and the changes will be top-down with a larger representation of smartphones and feature-rich phones. The report provides smartphone penetration forecasts for different markets. At present, Nokia's handsets remain African's favourite mobile phones but as the adoption of smartphones gathers pace, it will lose its leadership in favour of other OEMs. BlackBerry is currently the favourite brand among young South Africans.

### Male developers outpace female developers

African countries with a large subscriber base and a growing smartphone penetration rate present the best opportunities for mobile apps. Smartphones drive the consumption of mobile apps and as more African mobile users will have a smartphone in their pocket in the near future, the case of providing them with content is getting more compelling for local developers.

The report finds that African mobile apps developers are usually young graduates. In terms of gender, male developers outpace female developers. However, there are no figures on their number per country but estimates suggest a couple of hundred in small African countries and two or three thousand in large African countries. The African "developers' ecosystem" remains fragmented but there is a growing number of initiatives that try to bring in more structure as well as funding to support interesting projects and talented developers. The report provides further insights on what type of mobile apps are more likely to make money in Africa as well as recommendations for African developers on how to optimise the revenue that they can expect to be making from the various apps stores that are available today to them. For local developers it is all about knowing what mobile users want and what are the best ways to get it to them.

The revenues generated by the main international apps stores are tantalising for mobile operators and many of them across the world still have to decide if they want to become a mere "dump" pipe channelling all the content to their mobile subscribers' handsets or decide to step in and start to supply content to their subscribers in order to get a share of this revenue. African mobile operators and in particular those ones that have launched 3G services, are facing precisely this dilemma.

## **overview of distribution platforms ecosystem**

The report provides an overview of the "distribution platforms ecosystem" and evaluates how disruptive the international apps stores have been so far for African mobile operators. Several African mobile operators are looking at launching their own apps stores but so far only Orange Tunisie and Tunisiana have officially announced the launch of their apps store. The report further looks at how the growth of the international apps stores will affect Africa and what is changing in the apps ecosystem that could benefit Africa.

A set of eight recommendations are also provided to help mobile operators to identify what to look for when planning to launch an apps store. They are based on early lessons from emerging countries mobile operators that have launched apps stores. The report concludes with a detailed business case on launching an apps store in an African country and forecast revenue from paid applications, data revenue from apps downloads and revenue from advertising and in-apps purchases.

For more info, go to [www.balancingact-africa.com](http://www.balancingact-africa.com)

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