Case study: Jana

Ryan Webb, M4D Impact

Digital Inclusion

Product summary

Year Launched: 2009 (txtEagle, became Jana in 2011)
Business Model: B2B (i.e. brands pay, not mobile users)
Targeted Device: Smartphones with Android OS (previously: 'feature phone/basic phone')
Primary Delivery Technology: Mobile web, (mCent App Android OS - launched 2014)
Products & Services: Data collection
Markets Deployed In: 102 countries
Estimated Total Number of Users: +10 million
Estimated Number of User Actions: +100 million user actions on mCent since 2013
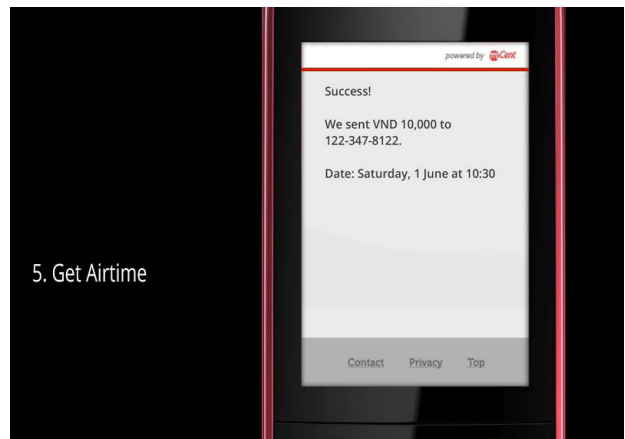
Jana is a mobile platform that connects global brands with emerging market consumers through reciprocal advertising. Jana's platform creates a two-way conversation between brands and consumers. These conversations deliver insights to the brand through mobile-based ad campaigns and drive consumer action by incentivizing members with free airtime on their mobile phones. This exchange takes place on the company's opt-in consumer facing platform, mCent. Through its partnerships with 237 mobile operators, Jana aims to redirect the USD $200 billion spent on traditional advertising into consumers' pockets and focus brands' marketing efforts on a more relevant, data-driven advertising stream. Jana is headquartered in Boston, Massachusetts and has raised $25M from Spark Capital and the Publicis Groupe. Maurice Lévy, Chairman and CEO of Publicis Groupe sits on Jana's Board of Directors. Clients who are using Jana to drive action include: CNN, Microsoft, Johnson & Johnson, Nestlé, Unilever, P&G, Danone, Google, and General Mills.

1 **Background**

Emerging market consumers represent the largest consumer base in the world. It is estimated that over 200 billion US dollars a year is spent on advertisements directed at developing countries. This figure grows by 15% a year, making it the fastest growing advertising market in the world. However, because many people in emerging economies are living on less than two US dollars a day and lack sources of media outlets that most developed countries have, it is hard for global brands to reach these individuals. Despite poverty levels, more people in emerging markets have mobile phones than ever before. Jana figures that mobile users in these developing markets spend 10% of their average day's wage on airtime. With this in mind, Jana targets the emerging middle class of mobile customers in emerging markets who are starting to see more and more discretionary spending power. These are the consumers who are suddenly buying the low cost Android powered devices and coming online.

Objective

The social dimension of Jana's objective is to efficiently reroute the $200 billion US dollars spent on traditional advertising to the consumers in emerging markets and more specifically, the emerging middle class in developing markets. Lower income is a relative term, but Jana's typical audience still makes less than 10 USD per day. The consumers they are targeting are precisely those who have just entered the emerging middle class, and gaining access to the internet for the first time.

Results

- Jana has partnered with 237 mobile operators in 102 countries
- There are over 2000 brands using mCent to reach emerging market consumers
- Over 10 million mCent members in emerging markets have produced over 100 million actions on the mCent platform since 2013

Impact

Jana's platform has enabled advertisers to funnel money away from those who own television channels, radio channels, billboards and other traditional media channels, allowing the advertisers to redirect money back into the pockets of the consumers that they want to reach. This also allows brands to target more specific customer segments and give a clearer picture of their return on investment through user engagement.

2 **Lessons Learned**

- **Don't underestimate the emerging market consumer.** Through data collected via the mCent Platform, Jana has learned that emerging market consumers are using more sophisticated technologies than originally thought, in particular, they are seeing greater smartphone use than originally anticipated and are doing more research in this area.

3 **Approach**

Jana's compensation-based platform, mCent, has enabled them to facilitate a direct connection, and cultivate a two-way dialog between brands and the next billion consumers that are emerging into the middle class. Jana engages this middle class of consumers using its mCent platform. Here brands connect with mCent users and provide them with offers that mainly include downloadable apps and other mobile content.

Jana built a platform that lets them instantly compensate pre-paid subscribers in denominations as low as $0.10, and they are set up to do that for 3.5 billion active mobile phone numbers.

Jana recently wrapped up a campaign with Magzter, the world's largest digital cross-platform newsstand and magazine store accessible from internet-connected devices. Magzter approached Jana in 2014 with hopes to scale their app installs and usage in India. Jana sent push notifications to mCent subscribers and Magzter immediately saw results encouraging them to expand to other larger developing markets. Magzter's results using Jana's platform were very positive. Daily app installs tripled during the campaign resulting in 60,000 downloads in 10 countries—Argentina, Brazil, Colombia, India, Indonesia, Malaysia, Mexico, Vietnam, Thailand and the Philippines. Jana gives people small denominations of airtime for taking these types of actions and creating the two-way conversation with the brand. If Magzter wanted to do this without paying people airtime to reimburse data used to download their app, Jana figure this is equivalent to taking money out of these sixty thousand people's pockets. These users are on pay-as-you-go plans and pay for every byte that they consume, and every bit that they upload.

More recently Jana has been focusing on App Marketing which, through the mCent platform connects advertisers, affiliates, and developers with Android smartphone users in emerging markets so they can download, open, and then try out new apps on their devices. Fundamentally, Jana actually reimburses users for cost of the data they used to download apps.

4 **User Centric Attitudes**

Since Jana's team primarily consists of data-scientists and software engineers one of their most critical activities is building models for personalized experiences for each mCent mobile user, enabling Jana to specifically target its mCent members with opportunities that are unique to their preferences. Jana wants to give its users a very personalized experience, and there is a lot of tech in required to build this. In particular, this is necessary for the reinforcement learning to understand what individual mCent members like and serving them with content according to their interests and past behaviour.

In early June, Jana soft-launched a beta version of the mCent app in the Google Play Store. Within a few weeks it had over 13,000 downloads exclusively through word of mouth referrals. Over 80% of

traffic was from returning members. Members used the app longer, more frequently, and were able to discover more content than they previously did on the mobile website. In the first 3 months of soft-launch, Jana recorded over 2.5 million events that took place on the app. The mCent app provides members with a faster and easier user experience for mCent members at no cost.

5 The Use and Value of Data

The value and usage of data is fundamental to Jana and its business model. Jana was founded on the belief that personal data belongs to the consumer and is therefore personal property. If the consumer chooses to disclose their personal data with Jana's clients then they should be compensated. When users agree to disclose their data on the mCent platform, the following is collected: name, phone number, device type, phone OS (if smartphone user), offers completed and mCent member history. User data captured has given Jana a better of their primary users. For example, user data captured from India showed that 90% of their Indian consumers were using Android Version 4.0 or better. This reassured Jana that there is an appetite for smartphone content in emerging markets. User data has helped improved Jana's understanding of what users want, what Jana can provide, and the best way to go about doing this.

6 Success and Scalability

Jana represents something disruptive to the advertising industry. In this sphere Jana has gained the attention of high level executives at large brands. Maurice Lévy, for example, has joined Jana's board and controls a large fraction of that $200 billion dollar spend toward the developing world.

As Jana see it, market research options for developing countries before a system like theirs was to fly people out to do face-to-face surveys, or at best use call centres. Previously, that would cost anything between $30 and $50 to complete per survey. Jana's offering is an order of magnitude less money, and the information can be turned around much faster than with other methods. Jana's key costs are around the mCent platform itself and airtime purchase from Mobile Network Operators (to be distributed as airtime rewards to mobile subscribers as compensation for certain actions on their phone). Jana does not spend much time on marketing to either brands or mobile consumers. A large portion of mobile customers find the platform purely through referrals. Jana gets new emerging market consumers signing up every month because their friends tell them about all of the benefits they can receive through the platform - in this respect the value proposition is inherently viral. In practice, this viral activity is often focused around a specific campaign, where the mCent platform has an airtime reward offer that spreads through a market via referrals.

Jana has already achieved an impressive reach in terms of countries, Mobile Network Operator (MNO) integrations, and the 10 million plus users on the mCent platform. However, one of the real stories around scale is the success of viral user-to-user referrals on the mCent platform itself. Take for example, the Magzter campaign mentioned above that racked up 60,000 downloads. For each mCent user who saw the push notification and elected to download the Magzter app, they had an option to forward it to friends and family. Jana's feedback showed that most mCent users that tried Magzter were pleased and elected to recommend it to friends and family. More specifically, in Indonesia and Vietnam each referring member invited at least 11 friends or family members to try Magzter. The viral nature of this approach has allowed Jana to continually achieve scale reaching large amounts of people in short amounts of time. As another example, in 2013 CNN International

was able to gather 20,000 people's opinions on an African potentially being elected pope from 11 African countries within 24 hours through Jana's mCent platform. Otherwise, CNN International would have used on the ground journalists and polls which would not have produced nearly as many results in the same time.

7 Partnerships

There are a range of different mechanisms to top-up a handset, which allows the mCent system to work across a range of operators. For example, Unilever are one of Jana's clients who want to engage every subscriber in India regardless of the MNO. This meant that Jana had to create a lot of different relationships with MNOs, with VAS providers, with aggregators, and so on. Their aim is to be able to credit airtime at a 99% rate of reliability, so they've built a technology that sails over from one channel to another channel, removing the middleman.

The original mobile operator partnerships arose from Nathan Eagle's work in emerging markets while a professor at MIT. Here his work centred around Call Data Record (CDR) analytics, providing him access to the backend billing systems of dozens of mobile operators. MNOs in developing countries in particular have been quickly inundated with large amounts of data and sometimes lack the computational power or human resources to fully utilise the petabytes of data being generated. No matter if the operators were in Latin America, South Africa, or South East Asia, these MNOs were all interested in increasing Average Revenue Per User (ARPU). In this light, Jana appeared as an alternative revenue source, and a way to ultimately increase ARPU. In many instances, MNOs just think of Jana as another airtime reseller. The average subscriber in emerging markets spends 10% of their days wage on airtime, which is generally thought by Jana as the upper bound. Jana's pitch was to create the further revenue not from the subscribers themselves, but from the global brands with an interest in reaching them, and in exchange for simple actions that the subscribers could take.

In terms of other partners, Jana also works a lot of the major ad agencies. These players are key to craft the campaigns with the clients that leverage Jana's technology. Thus, Jana have the standard revenue share agreement with the ad agencies, because they don't do anything on the creative side.
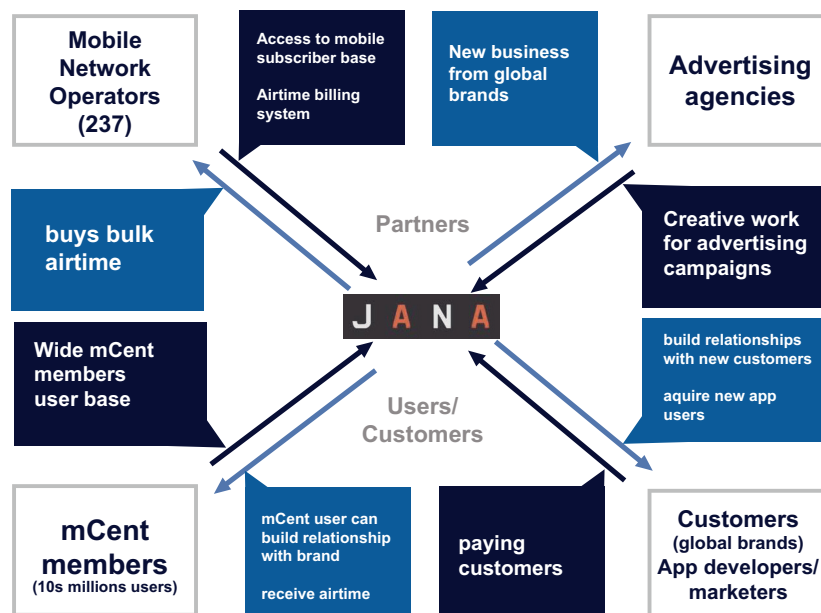

Figure 2 - Partnerships diagram

8 Challenges

Jana has faced some notable challenges since the inception of the business. Initially there was scepticism surrounding mobile technology in emerging markets. Many people did not feel that emerging markets would progress beyond bulky GSM phones and SMS. Jana overcame this perception and believes trends in emerging market mobile technology, including the falling cost of smartphones and data, and the improving coverage of 3G and 4G. Jana anticipates these trends to bring hundreds of millions of consumers online each year in emerging markets.

In efforts to adapt to the kind of mobile users they see emerging in developing markets, Jana has stopped using SMS and USSD delivery channels. Instead they have opted to be purely over the top, and understand that they need to engage with consumers who have access to the internet. Originally, starting out in 2009-2010, Jana was serving a small minority of consumers in emerging markets in this mobile web segment, but it has since grown rapidly. The upside is that Jana gets to really ride the wave of low-cost devices and the explosion of data services in these markets.

9 Future Plans

Within the next few years Jana's plan is to continue work on its creation of a data marketplace where individuals can unlock the value of their own personal data. Jana plans to reach its goal of redirecting half of the $200 billion US dollars spent on advertising in developing markets to the consumers that their clients want to reach. Jana believes the ability to achieve this vision is an important measure of their future success and continues to make them unique.

About

GSMA Mobile for Development Impact supports the digital empowerment of people in emerging markets through its Mobile for Development resource. It is a central platform of data, analysis and insight used to inform investment and design decisions for mobile services. Our work is freely accessible through support from Omidyar Network and in partnership with The MasterCard Foundation at gsmaintelligence.com/m4d