



MOBILE SERVICES FOR YOUTH EMPLOYMENT

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Mobile for
Employment

Alcatel-Lucent



A collaborative venture

This global study was undertaken to understand the challenges and needs of youth overcoming employment obstacles. It addresses how mobile services could play a key role in combatting the problems and providing solutions.

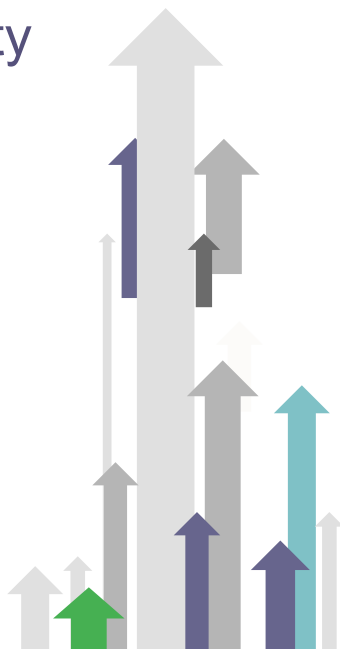
Alcatel • Lucent



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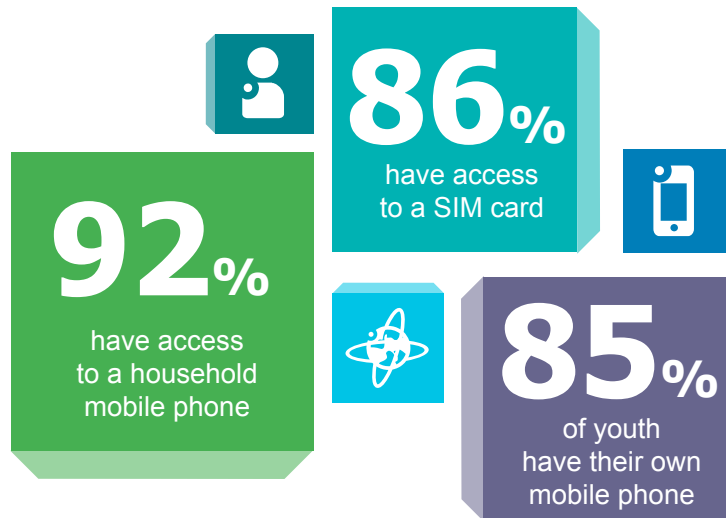
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The current global situation



- **73 million (12.6%)** youth unemployed worldwide
Source: ILO
- Across several countries, a large number of youths have access to mobile phones (**92%**)
- A **lack of innovative business models** exist for mobile operators to provide solutions to youth unemployment



**HOW CAN THE SITUATION BE
TURNED INTO AN OPPORTUNITY?**

Four countries, many stories, multiple opportunities

SPAIN

Total population: **46m**
Mobile penetration: **98%**
Youth unemployment rate: **53%**

BANGLADESH

Total population: **166m**
Mobile penetration: **65%**
Youth unemployment rate: **9%**

GHANA

Total population: **24m**
Mobile penetration: **69%**
Youth unemployment rate: **26%**

INDONESIA

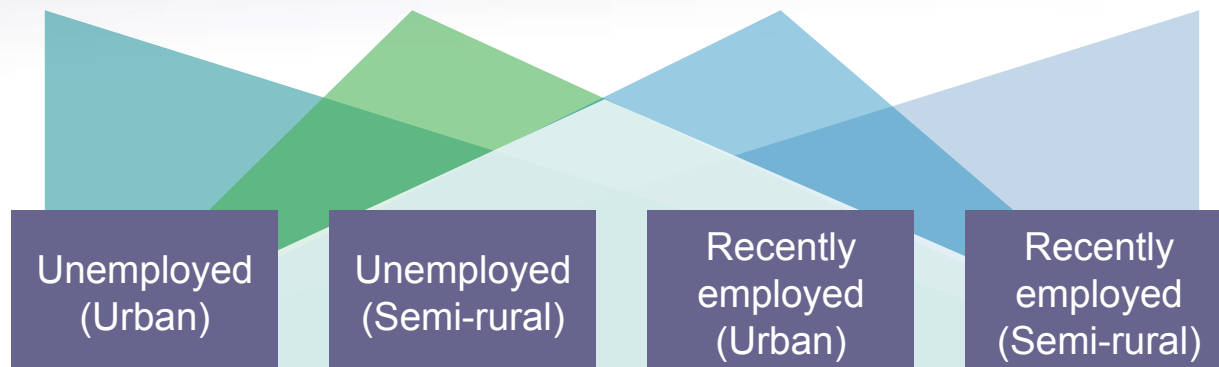
Total population: **240m**
Mobile penetration: **95%**
Youth unemployment rate: **25%**

Sources: IMF, UN, OECD, Global innovation Index, ILO, AfDB, GSMA

How did we gather data ?

16 FOCUS GROUPS

BANGLADESH GHANA INDONESIA SPAIN



Male and female
participants
(aged 16-24)



300 participants
surveyed in each market
(150 urban/150 semi-rural)

INTERVIEWS CONDUCTED WITH INDUSTRY EXPERTS

Four countries, four common reasons for unemployment

UNEMPLOYMENT RATE

BANGLADESH



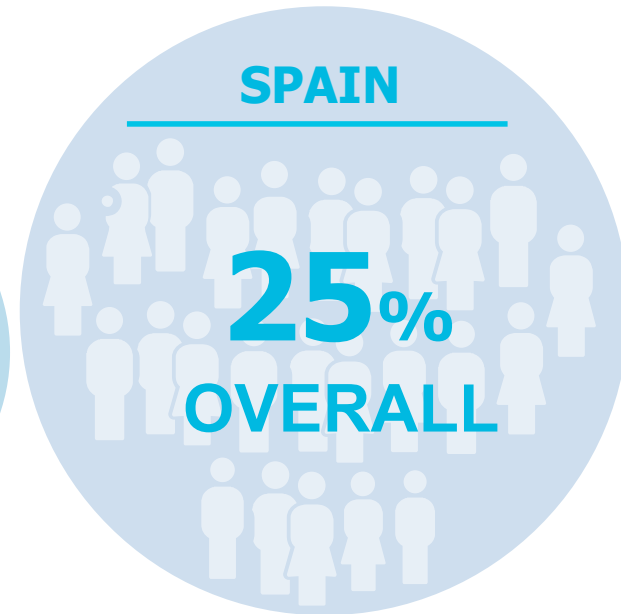
GHANA



INDONESIA



SPAIN



9% YOUTH

There is a **large youth population** (20%), but **few employment opportunities**

26% YOUTH

Youth are **well-educated**, but suffer from **skills mismatch** (500,000 unemployed graduates)

25% YOUTH

There is **high youth unemployment**, largely due to **lack of experience**

53% YOUTH

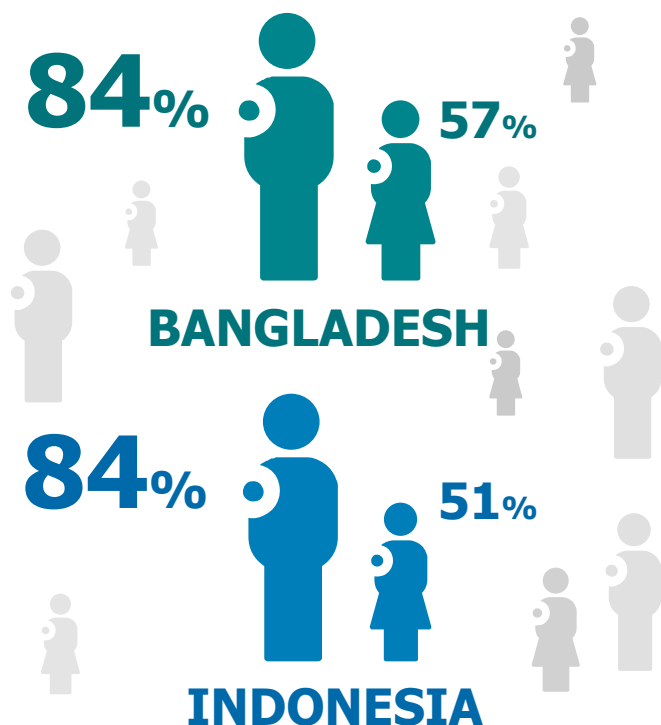
Highest youth unemployment mainly due to **economic factors**

Sources: IMF, UN, OECD, Global innovation Index, ILO, AfDB

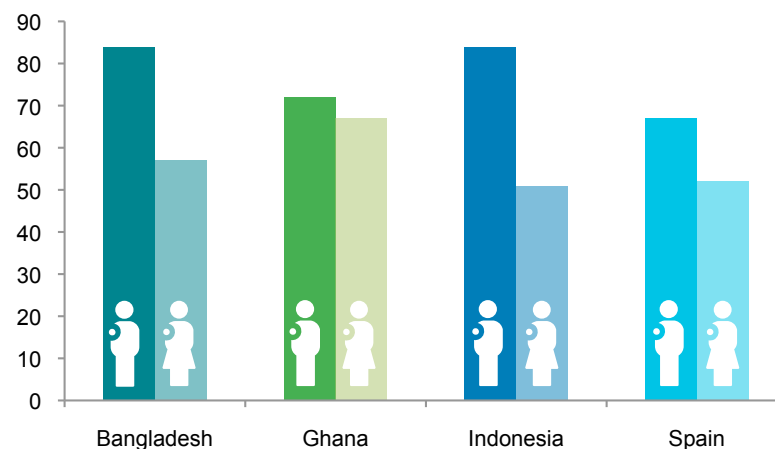
One common issue – female labour participation



BANGLADESH AND INDONESIA
HAVE LARGEST DIFFERENCE IN
MALE AND FEMALE LABOUR
PARTICIPATION RATE



Labour participation rate

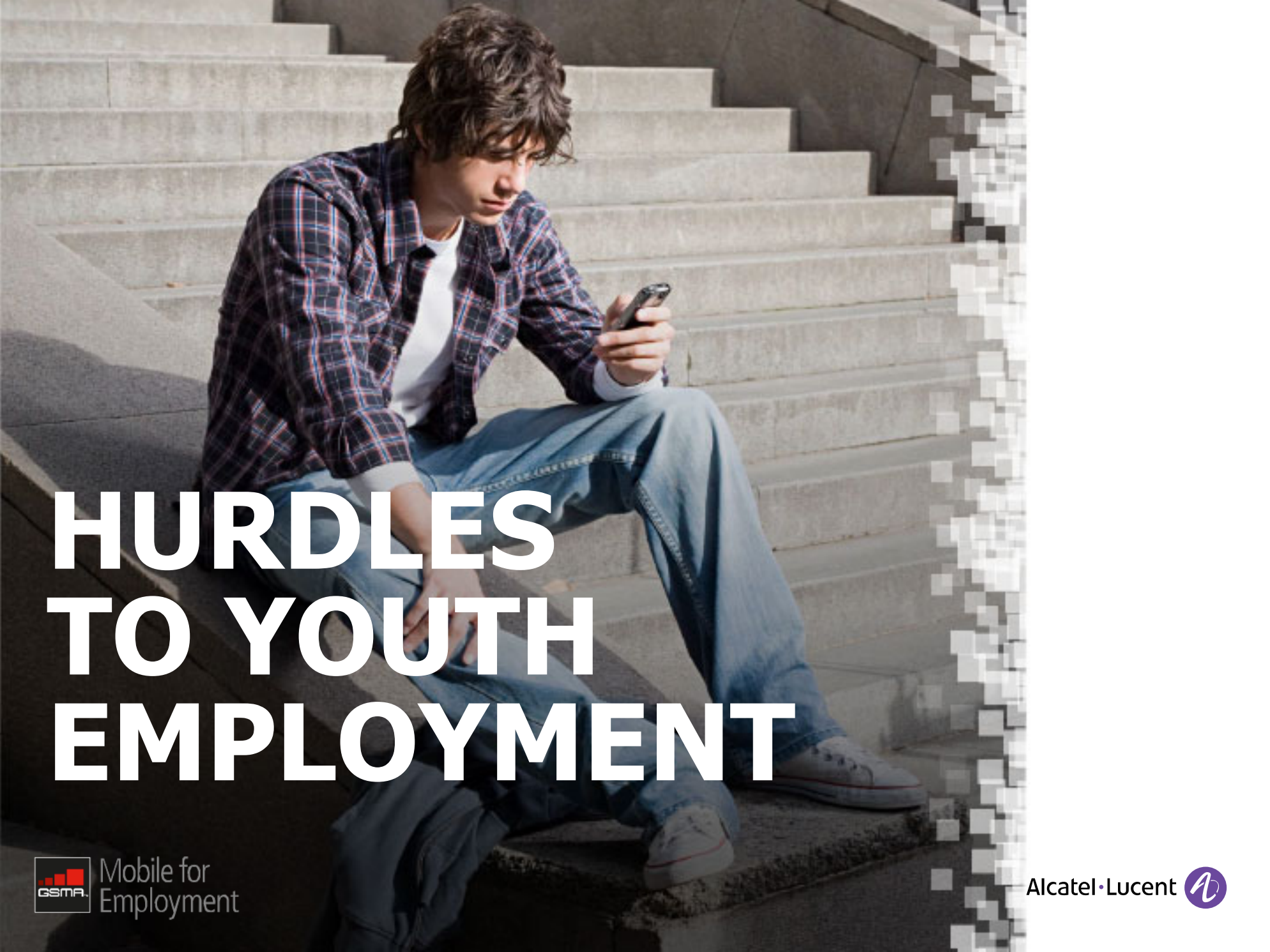


Youth unemployment rate



- In **BANGLADESH**, **5%** more **female youths** are unemployed than males
- In **INDONESIA**, **4%** more **female youths** are unemployed than males

Source: World Bank
Development Indicators



HURDLES TO YOUTH EMPLOYMENT



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The root causes of unemployment



PERSONAL FACTORS

- Lack of experience
- Lack of skills
- Lack of contacts
- Limited awareness of job availability
- Limited means to travel to find work



SITUATIONAL FACTORS

- Skill mismatch
- Lack of jobs
- No opportunities
- Poor economy
- Gender discrimination

It is personal rather than situational

SPAIN

Not enough jobs available: **46%**

Lack of experience: **45%**

Not enough contacts/don't know right people: **31%**

BANGLADESH

Lack of skills: **52%**

Lack of experience: **51%**

Not enough jobs available: **43%**

GHANA

Not enough contacts/don't know right people: **47%**

Lack of experience: **42%**

Not enough jobs available: **38%**

INDONESIA

Lack of experience: **60%**

Lack of skills: **58%**

Not enough jobs available: **15%**

Key

Personal factors

Situational factors

Source: GSMA/ALU Mobile for Employment Research

*Lack of skills, **knowledge** and **contacts** drive youth unemployment*

Lack of skills necessary for employment

“ I never had a computer lesson in school. So, I won't be able to operate a computer at all.”

Female,

INDONESIA



Lack of knowledge to start own business

“ When you start out they say you need to conduct marketing studies. So, I had to hire someone to do the research and this was more expensive than the financing I would be obtaining.”

Male, **SPAIN**



Disconnection between employers and potential employees

“ In the villages, there are not enough people to work in the fields, while in Dhaka they are roaming around looking for work.”

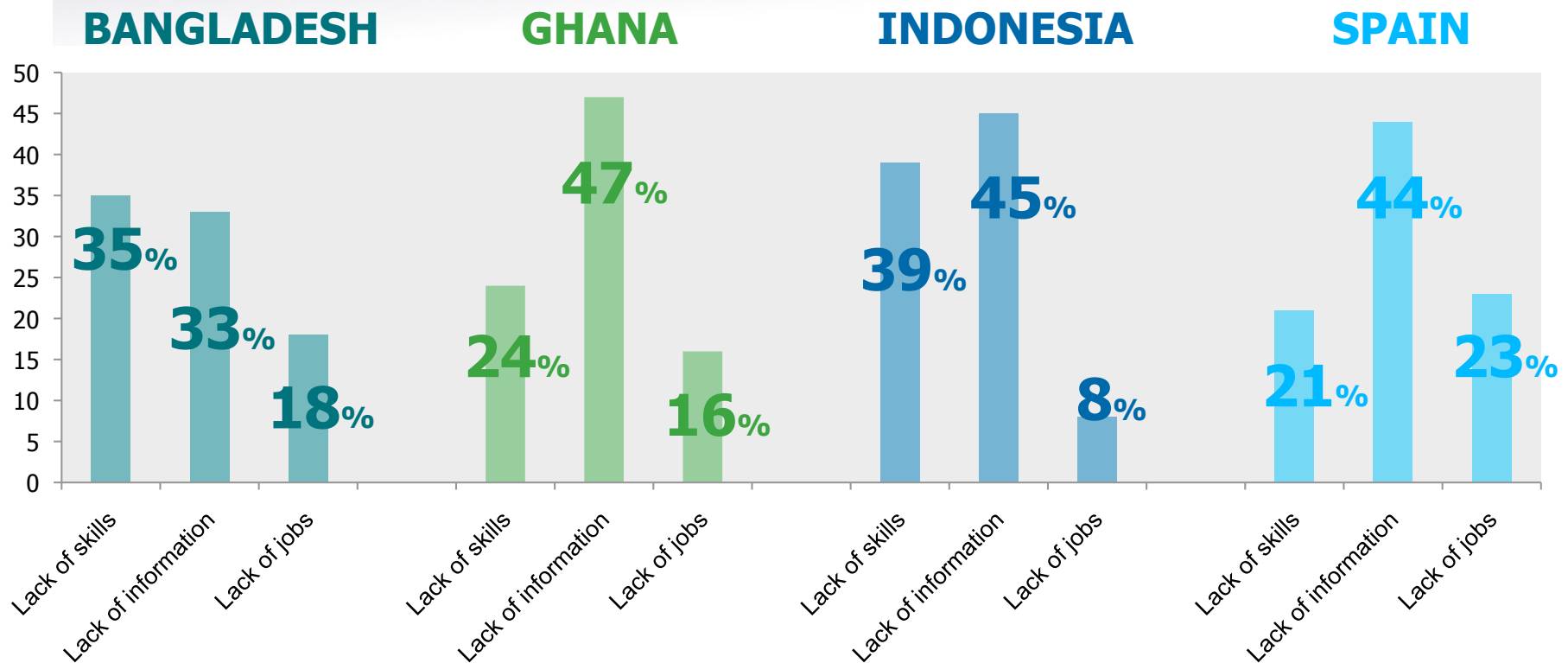
Female, **BANGLADESH**



Source: GSMA/ALU Mobile for Employment Research

Lack of skills and information are perceived as bigger barriers than a lack of job availability

CHALLENGES LOOKING FOR WORK



Source: GSMA/ALU Mobile for Employment Research

For young women it is even harder...



- Unemployment rate is even higher among young women (13.2%) than young men (12.9%)

Source: UN

- Early departure from school leaves a **wide knowledge gap***

Women face forms of **discrimination and social injustice**

“My parents don't have a problem that I'm not working. My brother is always getting pressure from my mum to find a job, maybe because I can help doing daily chores like washing dishes.”

Female, Unemployed,

INDONESIA

*Source: World Bank EdStats

Educational differences are one reason

FEMALE ENROLMENT RATES ARE IMPROVING, BUT THERE IS STILL A GAP IN EDUCATION LEVELS BETWEEN MEN AND WOMEN



Only **87%** of eligible females in both **North Africa** and **South Asia** are enrolled in primary education



Between **2000** and **2010**, the difference between males and females enrolled in **secondary** education dropped **12%** in South Asia



In **North Africa**, the difference between male and female **tertiary** enrolment has shrunk by **20%** in the past 10 years

Source: World Bank EdStats

There are limited resources but there is a desire

"I have realised there is no car washing bay in our area. I will start washing people's cars and if I raise enough funds I will establish a washing bay."

Male, Unemployed, **GHANA**

BANGLADESH

49%

Interested
in owning
a business

65% of youth in **Bangladesh** said they would like to have a business in the retail sector



GHANA

94%

Interested
in owning
a business

30% of youth in **Ghana** said they would like to have a business in the IT or telecommunications sector

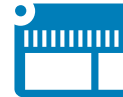


INDONESIA

82%

Interested
in owning
a business

37% of youth in **Indonesia** said they would like to have a restaurant or café business



SPAIN

56%

Interested
in owning
a business

31% of youth in **Spain** would like to own a business in retail



Source: GSMA/ALU Mobile for Employment Research

Potential youth entrepreneurs need training, mentoring and access to capital



BANGLADESH

90%
need capital



GHANA

32%
said **financial training** would be helpful to start a business



INDONESIA

42%
require **coaching**



SPAIN

43%
would benefit from **training**, such as business courses

“ I have no idea about finance. So to start a business it would be good to take a financial course or one on how to deal with human resources.”

Male, **SPAIN**

Source: GSMA/ALU Mobile for Employment Research



THE POTENTIAL FOR MOBILE EMPLOYMENT SERVICES

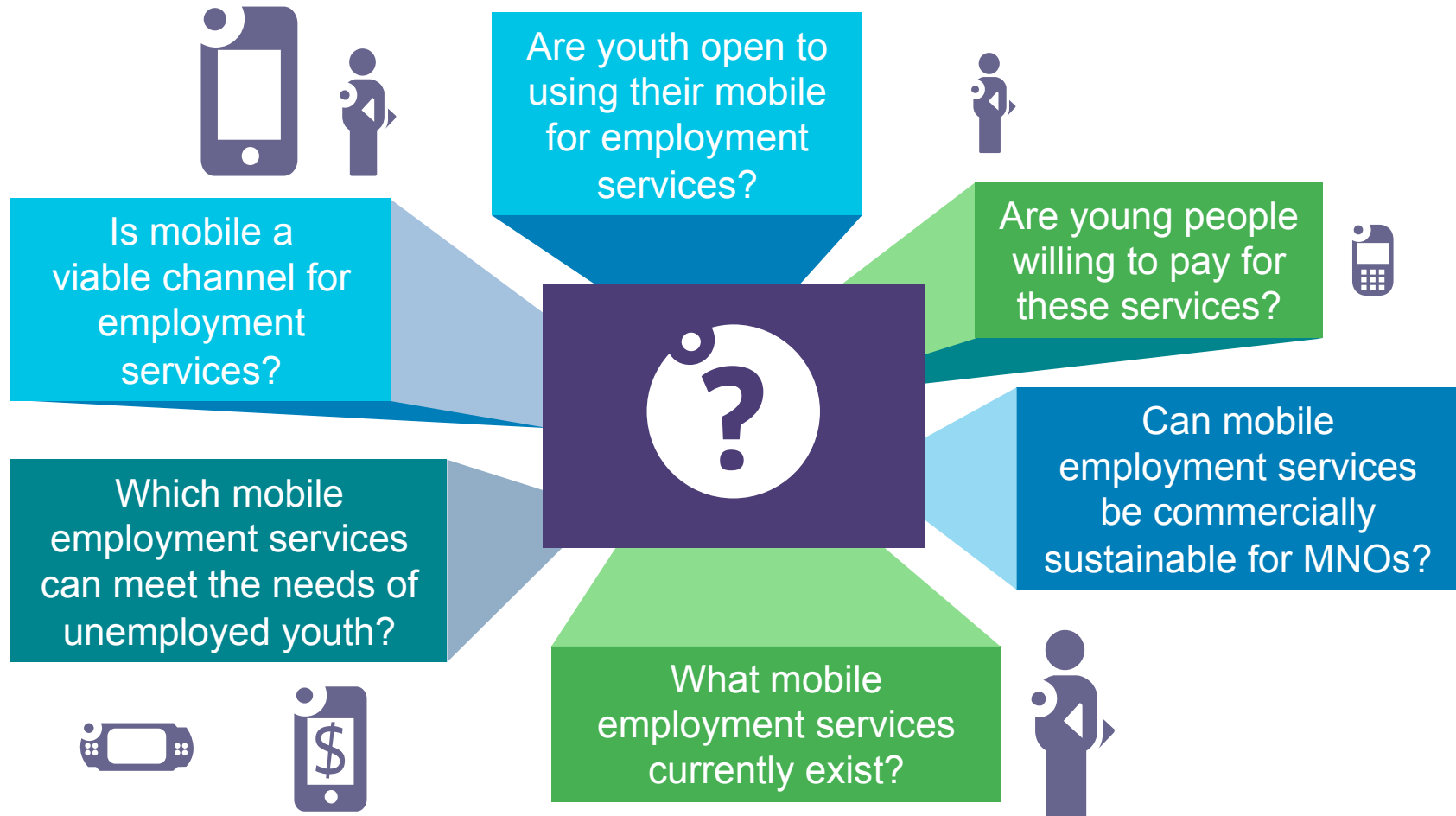


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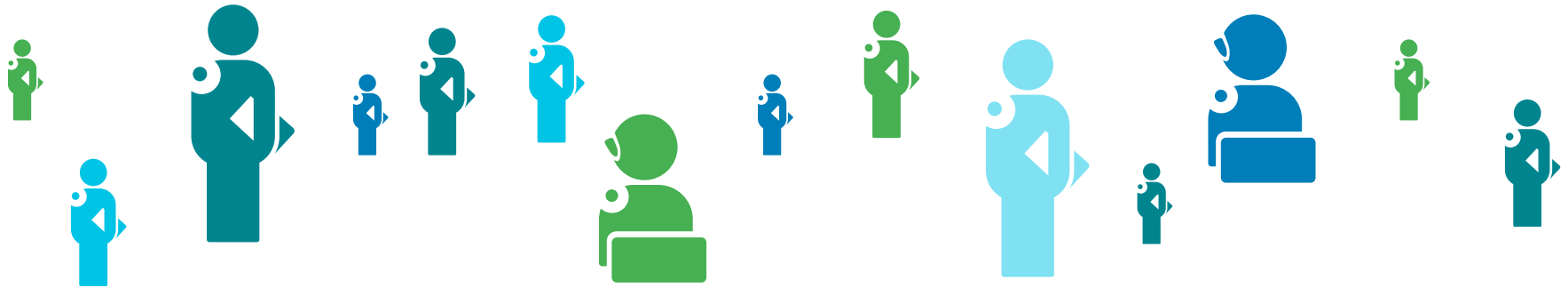
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Questions we asked...



Job search tools are informal rather than formal



Word of mouth is the most common search tool in all four markets*

95% in Bangladesh
79% in Ghana
95% in Indonesia and
62% in Spain



About **40%** of youth in all 4 countries use **newspapers & magazines** in their job search*

50% in Bangladesh
50% in Ghana
41% in Indonesia and
37% in Spain



Visiting a business is a common way of finding work in all countries, except **Indonesia***

15% in Bangladesh
38% in Ghana
7% in Indonesia and
49% in Spain



96.7% of people online in Indonesia use social media***

Facebook penetration
2.1% in Bangladesh
6.4% in Ghana
20.6% in Indonesia
37% in Spain**

*Source: GSMA/ALU Mobile for Employment Research

**Source: Facebook

***Source: Telefonica report

The potential of mobiles as a job search tool is a reality



BANGLADESHI youth show low levels of mobile (7%) and PC (8%) use to search for work



*Mobile penetration: **65%**



Only **8%** of youth in **INDONESIA** have accessed job search information on their mobile, but **30%** were aware they could do it



*Mobile penetration: **95%**



GHANAIAN youth prefer to use the internet on their mobile (**25%**) than on a PC (**21%**)



*Mobile penetration: **69%**



17% of youth in **SPAIN** have used their mobile to search for work, whilst over half were aware they could do this



*Mobile penetration: **98%**



Source: GSMA/ALU Mobile for Employment Research

*Source: GSMA

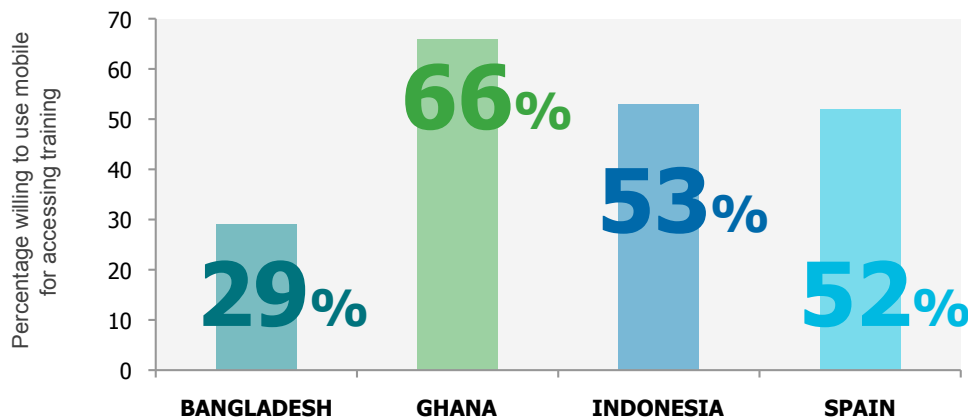
Skills training via mobile is appealing

"I have decided to **learn something online** as it's **cheaper** than taking a course directly and it can be **done through my mobile.**"

18-20, Female, **BANGLADESH**



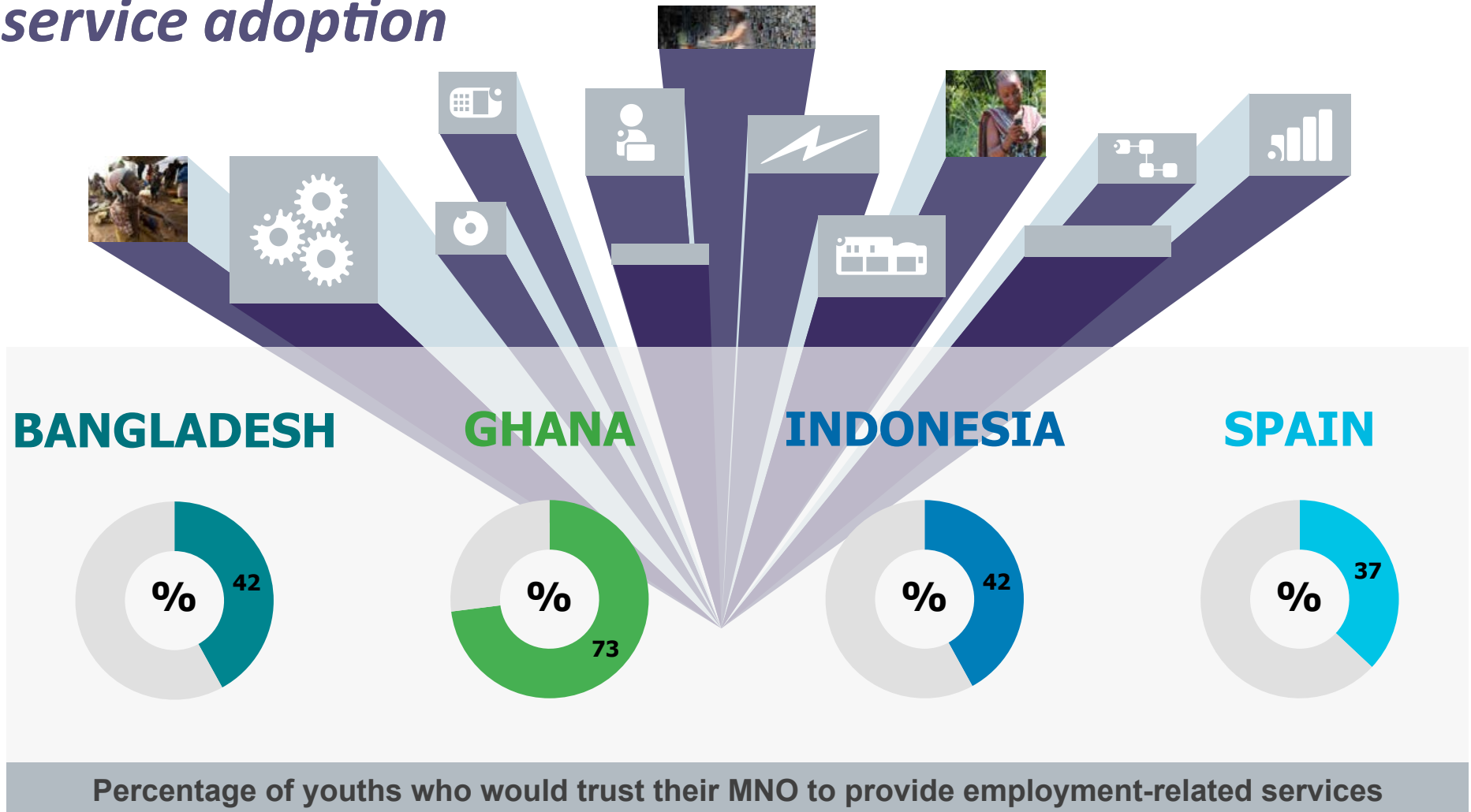
Willingness to use mobile for training



Source: GSMA/ALU Mobile for Employment Research



Trust in mobile network operators will drive service adoption



Source: GSMA/ALU Mobile for Employment Research

Demand is there

Which mobile services would people pay for?



Preferred
access
method:
Voice calls

23% of young people in **BANGLADESH** would pay for job search and job matching information if delivered via mobile



Preferred
access
method:
SMS

55% of young people in **GHANA** would pay for job search information and job matching delivered via mobile



Preferred
access
method:
Voice calls

14% of young **INDONESIANS** would pay for foreign language training, job training or business skills training delivered via mobile



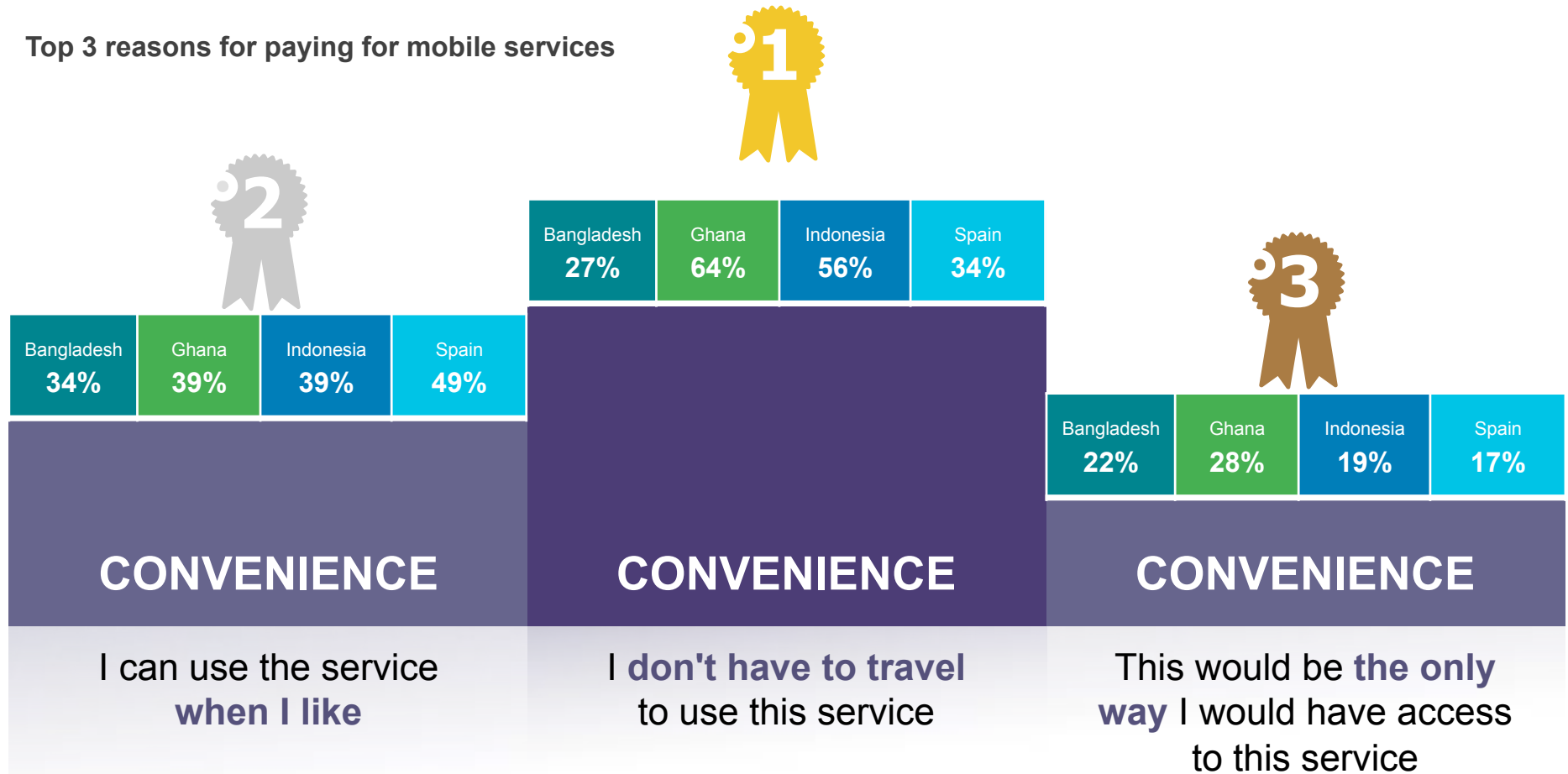
Preferred
access method:
Mobile internet

32% of young **SPANISH** people would pay for foreign language training delivered via mobile

Source: GSMA/ALU Mobile for Employment Research

Convenience will drive commercial adoption

Top 3 reasons for paying for mobile services



Source: GSMA/ALU Mobile for Employment Research



MOBILE EMPLOYMENT IN ACTION



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Global pioneers in the field have proven the viability of delivering mobile employment services

Issues addressed

Mismatch or lack of skills necessary for employment

Examples of existing mobile services

Paje-Neita/Stepping Stone – [Click for website](#)

Aimed at out-of-school youth, Stepping Stone is a mobile phone-based curriculum that supports youth to improve their literacy, math and oral French as a first step to building entrepreneurial skills and supporting increased access to market information systems once basic skills are more developed.

BBC Janala – [Click for website](#)

Multimedia English learning program that combines television, radio, and SMS to reach millions which originated in Bangladesh

Benefits

Helps jobseekers to:

- Find and secure employment
- Be promoted in the workplace
- Participate in the connected global community



Global pioneers in the field have proven the viability of delivering mobile employment services

Issues addressed

Disconnection between employers and potential employees

Lack of tools, resources and training for business support

Examples of existing mobile services

Souktel Job Connect – [Click for website](#)

Connects unemployed youth throughout the Middle East with potential employers and uses SMS and voice-menu technology.

mKazi – [Click for website](#)

Online and mobile recruitment platform with the largest number of jobs all over Africa.

Ooredoo Najja7ni – [Click for website](#)

Offers career guidance, financial literacy, links to local training and opportunities and tips on starting a business. Also includes quizzes, coaching and psychometric tests.

Benefits

- Time saving and convenient
- Formalises the job search
- Connects employers to employees
- Provides tools and tips to research and apply for jobs



Employment services targeted to women



Issues addressed

Women face additional employment challenges

Examples of existing mobile services

Mobilink Literacy Program – [Click for website](#)
Builds writing and reading skills and delivered via SMS

Nokia Life Business Women services –
[Click for website](#)
Entrepreneurship development service for women in [Nigeria](#) using SMS and in [Indonesia](#) and [Tanzania](#) using mobile internet

Benefits

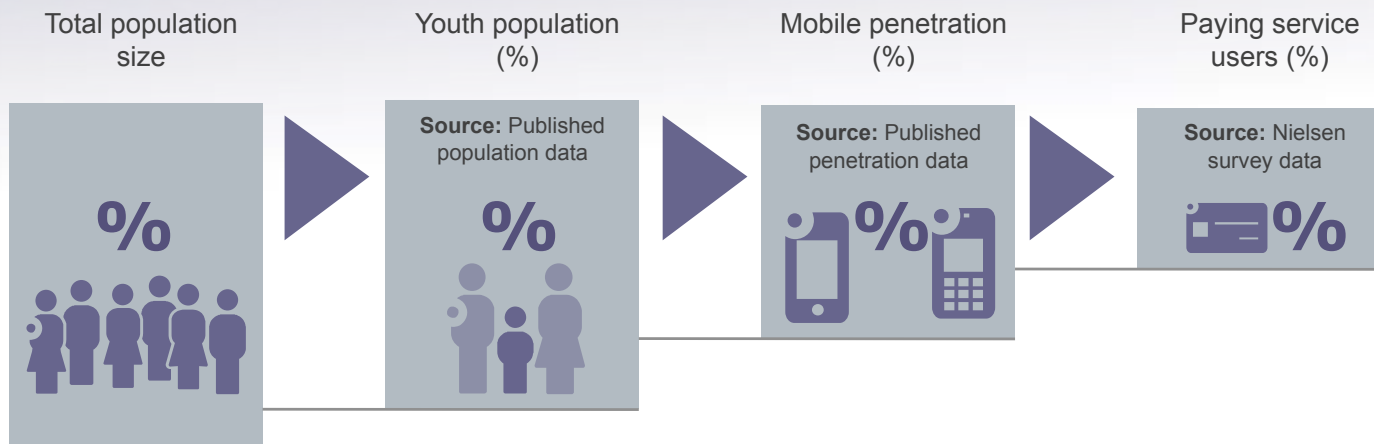
- Helps break down cultural barriers for access to mobile phones for women
- Encourages women to start their own businesses





SEIZING THE OPPORTUNITY

How did we size the market?

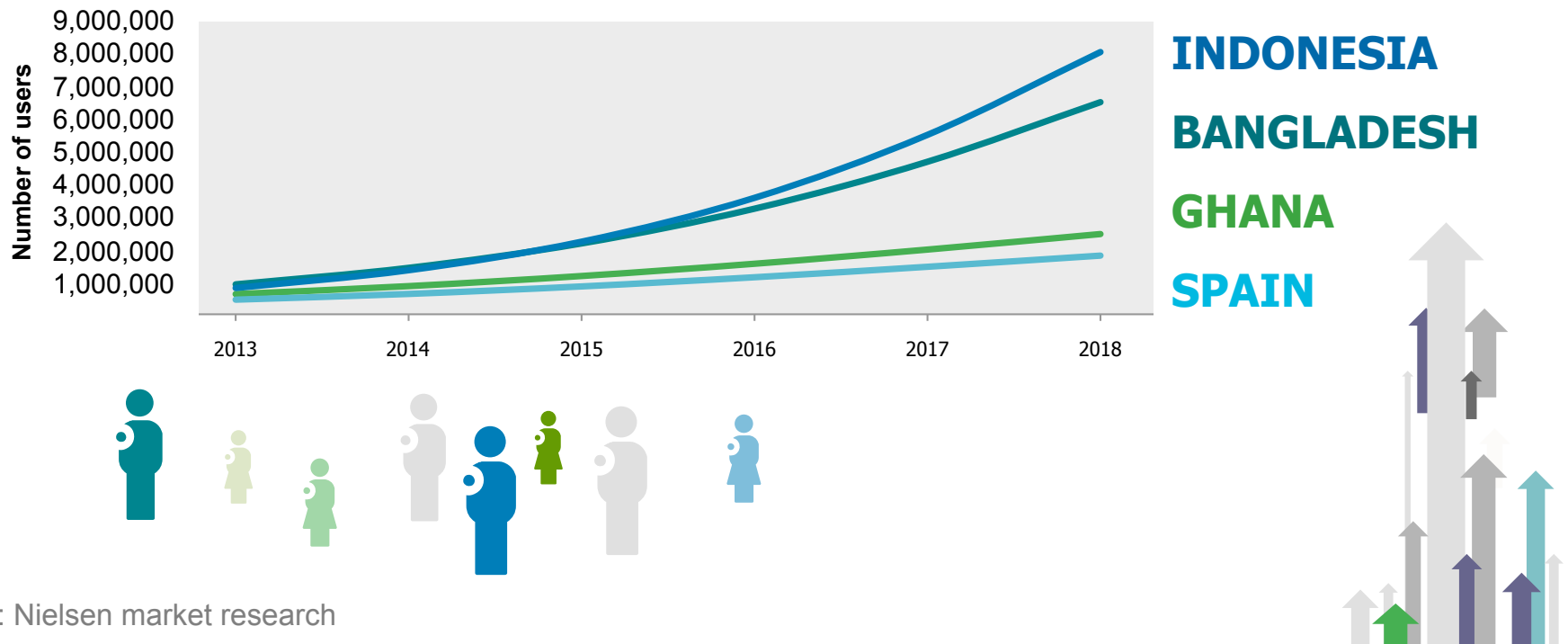


Source: Current service price points in market

What did we find?



ACROSS ALL FOUR MARKETS, 18.8 MILLION YOUTHS COULD HAVE ACCESS TO MOBILE EMPLOYMENT SERVICES BY 2018



Sustainable? Profitable!

BANGLADESH

4.4m

2013 market size
(USD million)

GHANA

2.9m

2013 market size
(USD million)

INDONESIA

7.2m

2013 market size
(USD million)

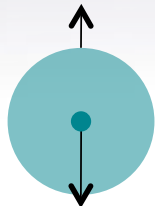
SPAIN

8m

2013 market size
(USD million)

2013-18 market growth (USD million)

\$36.3m



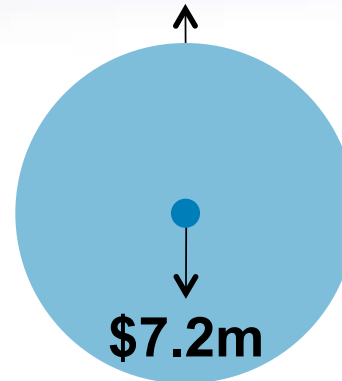
\$4.4m

\$13.7m



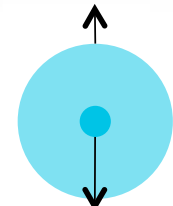
\$2.9m

\$84.1m



\$7.2m

\$37.6m



\$8m

Source: Nielsen market research

Positive social and economical benefits +

Improved loyalty and reduced churn



"Every young person looks at your technology or brand and asks 'where am I in this story?'"

The Mobile Youth Report

- Youths represent the majority of growth within the industry
- **71%** of youth would rather spend their last \$10 on topping up their phone than on food*
- Mobile adoption rates among youth are driven by peer recommendations*
- **Employment services** can positively impact Net Promoter Score and **drive adoption rates**
- MNOs are frequently searching for new **value added services** to create **competitiveness** and **brand differentiation**

*Source: www.mobileyouthreport.com/latest-stats

Positive social outcomes



"Partnerships are key. We try to work with all the mobile operators in the countries. All the partners are chosen because of their expertise."

Nokia Life

"Women don't perceive that the mobile phone can assist them in achieving their aims. If we can demonstrate its value, it would be a big step."

GSMA

- Significant attention is being directed to **women's issues** and **youth employment**
- MNOs can develop **powerful partnerships** with players in the space, including local governments, NGOs, vendors and universities to reduce the youth unemployment rate







MOVING FORWARDS



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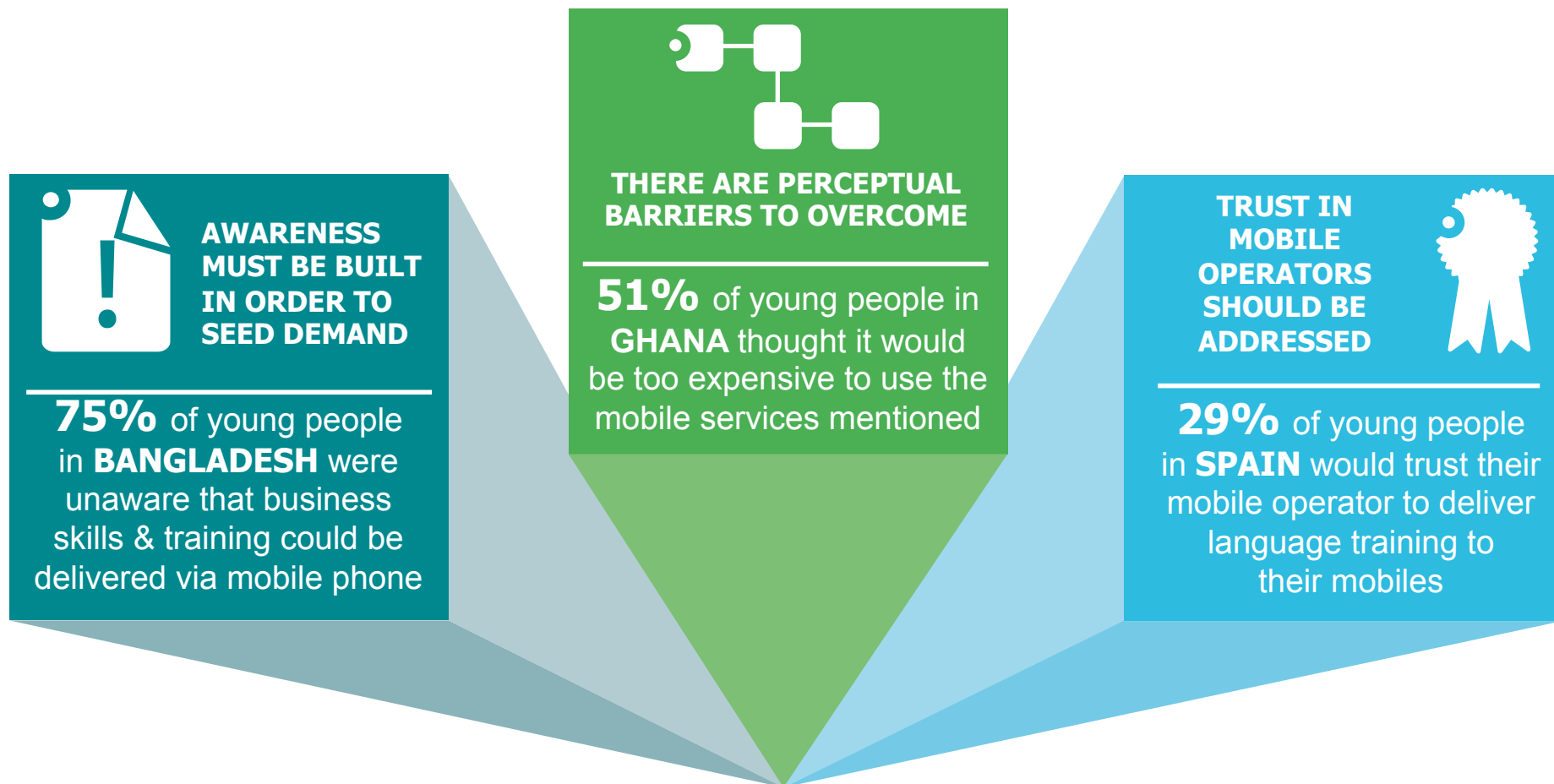
Considerations for a *successful rollout*

CHALLENGES	DESCRIPTION	SUGGESTED ACTIONS
 SMS FORMAT	SMS can be limiting for users and MNOs have to find alternatives or adapt their contents (character limit, no image allowed, etc.)	<ul style="list-style-type: none">• Drive down data costs for youth
PROFITABILITY 	Lack of clear business models and unclear value chain for mobile employment services leads to inactivity in this space	<ul style="list-style-type: none">• Target services to the right market to meet demand
PARTNERSHIPS AND CONTENT 	MNOs are operating within traditional boundaries, limiting their opportunities	<ul style="list-style-type: none">• Explore new partnerships, building innovative philanthropic and revenue share models
LACK OF MARKET KNOWLEDGE OF YOUTH SEGMENT 	MNOs don't have the knowledge of this specific consumer group	<ul style="list-style-type: none">• Invest in building understanding of this segment

Considerations for a successful rollout

CHALLENGES	DESCRIPTION	SUGGESTED ACTIONS
AFFORDABILITY 	Many youth don't have sufficient finance to pay for additional mobile services	<ul style="list-style-type: none"> • Explore freemium models • Price according to consumer affordability
FEAR OF THE NEW 	People are often comfortable with current methods and afraid to 'take the leap' to new services	<ul style="list-style-type: none"> • Create strategies to raise awareness and educate on technical literacy
CULTURAL RESTRICTIONS	Some cultures limit many women using mobile phones	<ul style="list-style-type: none"> • Adapt communication and marketing strategies to target women and their families
TRUSTED NETWORK ENVIRONMENT 	Word of mouth is the most popular job search method. Social media is the modern day equivalent and there is high penetration among youth.	<ul style="list-style-type: none"> • Build a trusted social media/portal environment for the job search that brings together employers and employees and provides employment enhancement tools

Drive *awareness*, change *perception* and gain *trust*



Source: GSMA/ALU Mobile for Employment Research

Thank you

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