GSMA Mobile Enabled Community Services Africa Working Group
June 10 and 11 2014, Kigali
Summary of Key Points

Working with MNOs:

- Mobile operators are increasingly interested to work with innovators and are seeking a new type of partnership that lets the innovator do what they do best, without "parenting" from the MNO.
- Innovators need to come to mobile operators with a clear business case. But it's not just about profits; it's about making the operators more relevant to their customers and helping customer reduce churn (e.g. when customers switch-out their SIM).
- Innovators need to show respect for the data sensitivities that operators face, and consider how they will use data.
- In an MNO/innovator partnership, it's important for both parties involved to be present at the table from the beginning. Expectations in terms of managing priorities need to be managed between the operator and the innovator.
- Is there an opportunity for MECS innovators to approach mobile operators with a united voice? This would be useful for educating operators about the potential benefits to them, and the potential roles and responsibilities in a partnership. Are MECS innovators ready to come together to have this conversation? Potentially, the more advanced players.

Mobile Money and Bill Pay:

- There is growing interest in mobile money interoperability and indeed this will likely happen. Some markets (such as Myanmar, Pakistan, Rwanda and Tanzania) are taking a more progressive approach, and success in these markets will support operators in other markets to pursue interoperability.
- There is a need to consider how to streamline mobile money integration for 3rd parties as it can take quite a lot of time to agree on the way to run the integration and can also result in technical delays. Furthermore, once an innovator has completed integration with one operator, it can face the same challenges with another operator in a different market.
- Mobile Money platform providers, like Visa, Ericsson and Huawei, are also considering how they can provide technology that provides easy integration across platforms.
- The availability of mobile money and mobile money agents in the last mile can be a challenge. Innovators need to work with their MNO partners to address these issues. In several cases, 3rd party's sales and distribution networks are being trained, and doubling as mobile money agents to ensure customers can use their service.

Using Machine-to-Machine (M2M) technology:

- In many parts of rural Africa, lack of GSM Coverage is still a reason to not rollout M2M. Similarly, the signal strength of the GSM network can be spotty and other hardware can also interfere with the reliability of M2M data transmission.
- The cost benefit of M2M is still being debated, although the costs of embedded SIMs have dramatically decreased.
- Before choosing a solution, innovators need to consider what information they require, the amount and level of accuracy of the information they require.
- While M2M enables innovators to track operations in real-time, innovators still need to consider what they will do with the data and how they will verify its accuracy.

- Models that do not use M2M need to consider how they will build insights
- Regardless of technology, direct and frequent communication with customers is important to develop deep insights of wants and needs, and product (or service usage).
- Payment history via mobile payment logs are one of the most important pieces of data and this can be obtained without M2M.
- M2M may be more expensive but it can lead to reduced maintenance costs:
    - For example, when a solar energy company has an issue with its product, they are alerted immediately, and the provider has more information about the unit to quickly determine the problem.
    - For water, using M2M can be used to redesign a more efficient maintenance scheme. With M2M, the service provider doesn't need to worry about incentives and education for those reporting operations, but does need to worry about performance and functionality of the sensors themselves.

Product and Service Innovation- Water

- Using mobile to manually collect operational metrics can lead to a professionalization of community reporters.
- There is a need to carefully consider community acceptance of design:
- If people are being asked to pay for a service that they didn't previously pay for, how will they react? In some early business models, the technology is mostly working, but the willingness and ability to pay still remains unproven.
- If using mobile services (voice/sms/data) to report on service status, the approach needs to consider the simplest format and levels of literacy. The reporting functionality should reflect how users currently use their phones, for example missed calls to quickly send an alert.

Day 2

Product and Service Innovation- Energy

- A key learning is the importance of building flexibility into your model, and make the service work for different types of clients/ end users. A business needs to be ready to grow with its customers and upgrade them.
- Good quality and commitment to service is extremely important as imitations continue to have a presence in some markets.
- Figuring out distribution is key- where this has to be highly specified to the contexts. But businesses often have to make difficult choices about investing in product development vs sales and distribution.
- Working capital has become even more crucial as companies continue to develop and grow various PAYG business models.
- China manufacturing: Production in Africa is still rarely available and thus would come at a very high cost when the African market is still very sensitive to costs. Some companies though are shifting to local assembly. The other challenge is that to attract a good manufacturer in China, a business needs to be purchasing large quantities