Mobile services: how to crack high growth markets

Smartphone use in high growth markets like India and Africa differs from developed markets. This is because there are a very different set of constraints in operation, most of which stem from cost and infrastructure. If businesses want to deliver successful mobile services to emerging markets, they need to understand local nuances and design a business model that fits.

Barron Ernst

Comparing India to the UK as an example, the average wage in India is INR300/day and 2GB mobile data bundles cost around INR225/month. Meanwhile the cost for 2GB mobile data in the UK is about £7.50 compared to a minimum daily wage of £57.60. The cost of mobile data in India is truly expensive compared to other countries. On top of this, the dynamics of the Indian telecoms market means that mobile data prices are only going to rise in the short term.

Due to the high cost, it's much more common for Indians to consume mobile services at public Wi-Fi connections or at work, rather than on home broadband or mobile networks. As a result, companies that currently do business via data-intense products and apps need to adapt their offering for high growth markets.

Barron Ernst, chief product officer for Showmax, has been working with ShowMax, an online content service that is active in Africa as well as other countries around the world, to introduce a number of new features that accommodate users who have limited data.

ShowMax consumers now have the option to download content in a variety of resolutions to watch at a later time.

Adapting for local needs:

- Is the download as small as possible? Will it use all of a customer's monthly data allowance?
- Does the app enable the user to download and access their content later?
- Is the app memory itself intensive?

ShowMax's entire strategy was informed by the average cost of data bundles in the market. Of course, an app that uses a big chunk of your customer's monthly allowance will result in it being swiftly removed from their device.

Practical steps to meet the data challenge - Based on experiences, Ernst recommends that:

- If an app takes up more than 20-30MB amount of memory that is probably too much. In a developed market, you certainly should be below the download cap over your LTE connection, but I recommend trying to right size the application to less than 30MB. In an emerging market, it's even better if you can get your app down to 15MB or less.
- If you find yourself struggling to reduce the download size, consider removing heavy analytics calls, lots of heavy imagery and content from your app, as these can often be the least important, but heftiest, features. The ShowMax app, for example, now has the ability to detect what kind of mobile device it sits on and can deliver lower resolution static content pictures suitable to that device in order to reduce data consumption.
- You can also stream heavier features in later as a user indicates interest and deepens their relationship with your product, meaning they want more content and more of your experience.
- If you want to see what might be impacting your usage numbers, try splitting test changes. We do this at ShowMax to see how well the app performs, as well as how popular it is among our target user group. If we see that something impacts our download or usage numbers, then we take it seriously and look at how to make changes or revert in order to keep our usage numbers ever increasing.

There are only a limited number of modifications you can make to an app to make it less data-intense before you have a profound impact on the service and or user experience.

In lieu of reducing the data demands of the app, businesses should consider more creative means to promote data-intense apps in regions or with demographics that have less data at their disposal. Services where people will exchange something (their time, for example, or agreeing to watch a certain number of adverts) for data show signs of real promise. They are not that different from the trend in gaming where time can be exchanged for virtual goods or virtual currency, but in this case, the game is for actual data.

There is a huge market for content services in high growth regions, but businesses need to come up with creative solutions to the data dilemma if they are to tap into it.

Businesses that succeed in doing this will enjoy first mover advantage and build strong customer loyalty for when data costs do eventually fall.