



Mobile market in Botswana and its prospects

1 February 2005





Agenda

- **Is competition working in Botswana?**
- **Are prices competitive in Botswana?**

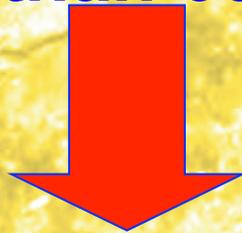


Benefits of liberalisation

- **Commercial prices**
- **Better value for money**
- **New and better services**
- **Availability of services – responsiveness to customers**
- **Lower prices – market growth**
- **Efficient and prosperous sector – contribute to economy**

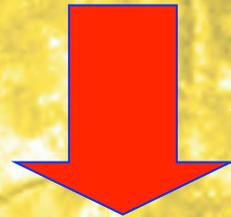
Bill Wigglesworth

- **Botswana has 1.7 million inhabitants**
 - Population density amongst the lowest in the world
- **Average GDP/capita of about \$3000**
 - And one of the most uneven income distribution in the world
- **Low disposable income**
 - average less than 600P per person & month



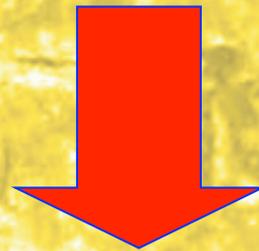
Affects market size and potential for growth

- **Why mobile competition is working**
 - **Competitive pressure on prices**
 - **New products and services offers**
 - **Independence between players**
 - **Heavy investments in new technologies**
 - **Improved capacity and coverage**



- **Benefits and value for money to all customers**

- **Pricing as a differentiation tool**
 - Large decreases even in nominal terms
 - Bonuses and “freebies”
 - Other airtime promotions

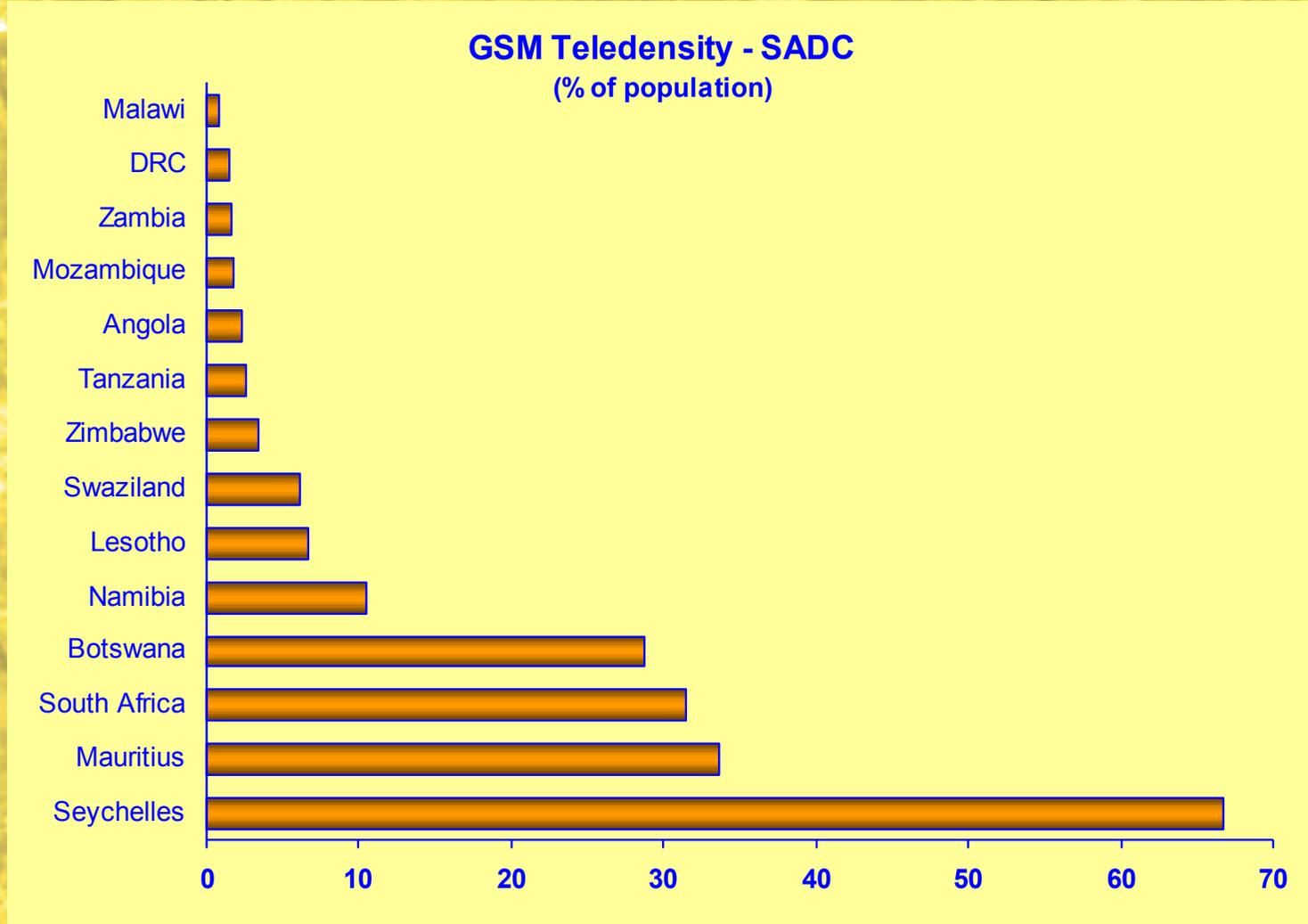


- **Better offer to customers**



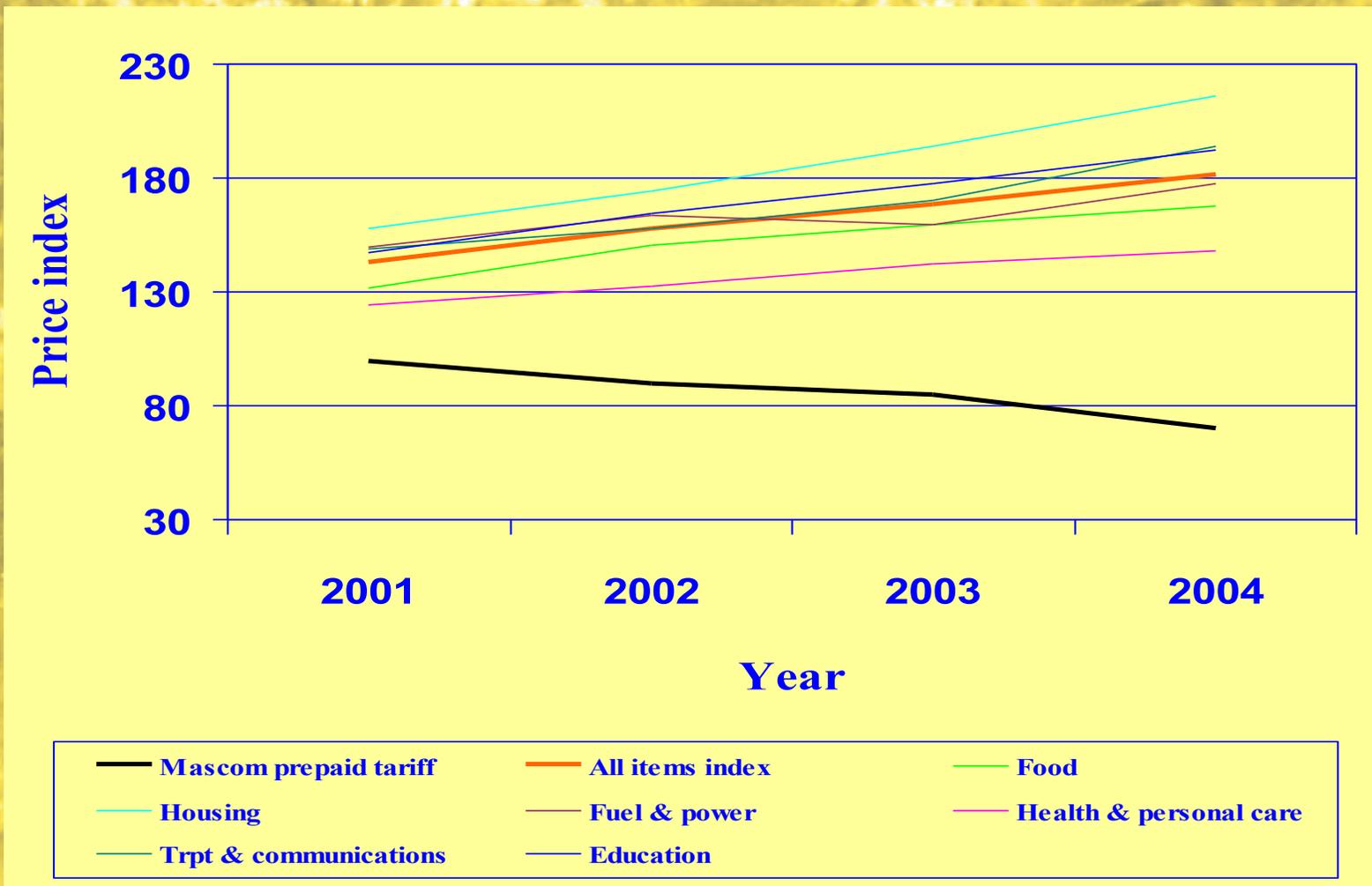
Competition

- **The mobile sector and its competitiveness is responsible for:**
 - **More than 20,000 direct and indirect jobs**
 - **One of the highest teledensities in Africa**
 - **Why Namibia has half of cellphones of Botswana?**



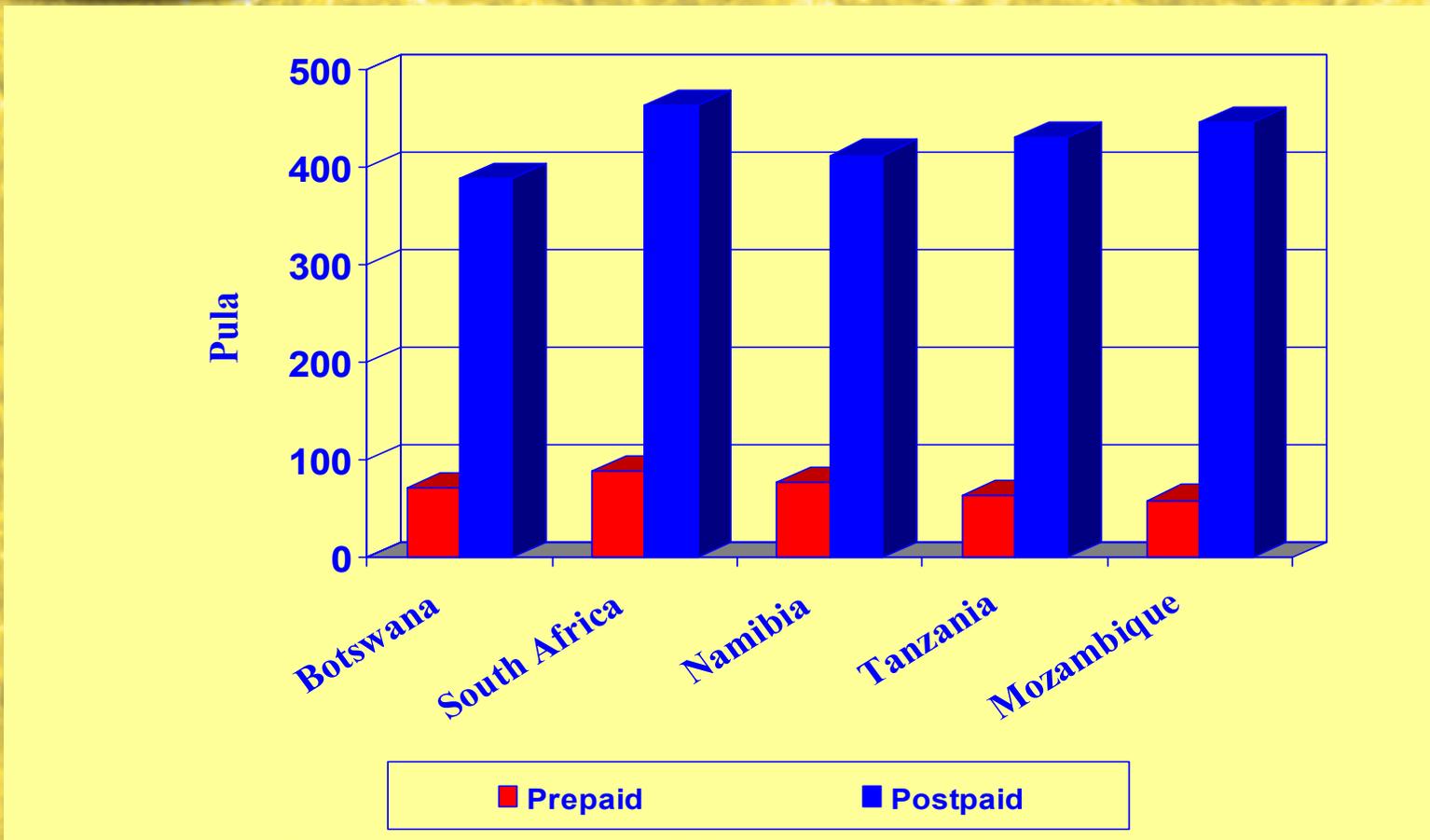


Cost of living





Expensive or affordable?



Mascom is very competitive in a regional comparison

- **International rates**
 - **Still in a monopolistic situation**
 - **Seems to be “perpetuated”**
 - **To protect the incumbent**
 - **Not the business community**



Mission and Vision

- **Mission**

- To serve Africa by pioneering, developing and sustaining reliable and efficient high quality telecommunications of uncompromising world-class standards and ethics

- **Vision**

- To provide telecommunications services to all the people of Botswana.
- To maintain leadership by giving quality service.
- To offer new services and products to customers.
- To strive to be up to date with world class technology



Vision

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Thank you

Jaf@mascom.bw

www.mascom.bw