

# Marketing mobile money in nigeria: the critical success factors assignment

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No doubt, the cashless economy project of the Central Bank of Nigeria (CBN) is being pursued gradually but vigorously and the introduction of mobile money in Nigeria in recent times can be better appreciated when appraised within this greater scheme of things. In Nigeria, as it is in other developing nations where mobile money operations have successfully taken off, the use of mobile phones as payment platforms has been necessitated by the need to include a greater proportion of the unbanked and under-banked populations in the financial system.

Much-quoted statistics for instance reveal that with a population of 167 million people, only 25 million bank accounts exist in Nigeria. Conversely, the country can boast of 90 million phone subscribers (and that figure continues to grow). The best model yet of a mobile money platform in Africa and the world over, has been Kenya's M-PESA. Launched in March 2007 by Safaricom, an affiliate of Vodafone, M-PESA's subscriber base had reached 6.5 million by May 2009 with 2 million daily transactions. In 2010, with over 700 million domestic and international money transfer transactions, M-PESA accounted for \$130 million in revenues.

Presently, it boasts of over 20 million subscribers and processes mobile banking transactions for over 70% of the country's adult population of 14 million. For a more populous nation as Nigeria, therefore, the potentials for financial transactions through the integration of financial services with mobile telephony are vast. True, mobile money operations have taken off with such visible brands as Paga (Pagatech), PocketMoni (eTranzact), VCash (WNetwork) I-I-Mo (UBA) and IBTC MobileMoney gaining top of mind awareness among consumers.

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Other brands and players, less visible but equally operating, just starting up, or recently licensed include M-Kudi, PayCom, Eartholeum, Fortis, Monitise, GTBank, EAZYmoney (Zenithbank), Chams Nigeria, Corpereti Services, Parkway, First Bank, EcoBank, etc. However, Nigeria is not Kenya and at the risk of sounding fatalistic, some of the emerging brands may either fizzle out even before they reach the market or die without ever breaking even. While this may sometimes be due to challenges of inadequate financing and technology, the greatest challenge which may sound the death knell will be Marketing.

How, despite the strictures of financial and telecom regulations by CBN and NCC; the relatively zero-value of the SMS platform to a large majority of the unbanked (they mostly belong to a socio-economic tribe which is called Base of Pyramid -BOP- and may only be conversant and comfortable with mobile voice operations, rather than SMS) and the need to adhere to the fundamental dictates of financial inclusion can the discerning mobile money brand thrive in Nigeria?

In order to succeed, a mobile money brand must be able to seek a position within the market that will give it some competitive advantage over others. Such positioning must translate into profitability and resonate with consumers. A well-thought out positioning for instance could be based on excellent value addition. This will not only differentiate the brand in a market where every other brand offers the same range of benefits, but also help the brand to either charge a premium (when it is known for offering additional value) or lower costs (based on rapid rate of sales turnover).

The discerning mobile money brand will do well to study the market and determine what use (and how, where and when) consumers need, apart from the intrinsic benefits which the mobile money platform offers. It can then seek out ways to provide these other (extended) offerings as part of a bundle product, thereby occupying a position in the minds of consumers. A strategic positioning may also be based on having the largest and most efficient network of agents.

After all, one of the leverages which mobile money is expected to offer to the economy is ubiquity of access to the financial system. Market Segmentation and Target Marketing The consumer market for mobile money services is not homogenous. One important consideration is the fact that while mobile money benefits are statutorily targeted at Base of Pyramid (BOP) consumers, this segment may not be the driver of product adoption in the Nigerian market.

Ultimately, innovators and early adopters will be found among the middle class, enlightened men and women in the C1-3 socio-economic strata, who see the mobile payment platform as a tool of convenience in transferring money, paying utility bills and consummating a myriad of transactions with ease. Nonetheless, consumers at the lower end of the socio-economic strata will eventually come to catch up with the beneficial realities of mobile money, but not as fast as envisaged.

How should the mobile money brand that will succeed talk and sell to disparate, yet profitable segments of the consumer market? Beyond media (or mass) advertising, a more targeted approach should be employed. A

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consumer in Ikeja, Lagos, who wishes to use the mobile money platform to pay for say groceries bought at a supermarket, utility bills, or transfer money to a child in school, will be different from a farmer in Arondizuogu in the East, who needs to remit advance payment for genetically-modified seedlings, to a middleman in Onitsha.

The demographics and psychographics are different and one should rather recruit or convert the farmer through someone who has a strong influence on him. This could be a traditional head in his town, or the leader of his farmers' association; influencer relations, rather than media advertising should be strong here. One may thereafter sustain one's efforts with tactical radio and television spots. Again, in deploying their services, mobile money brands must profile their consumers benefits must be emphasized in their communications. Product Innovation Technology is never static.

The mobile money brand that will breast the tape of market leadership in Nigeria will not wait for the next five years before questioning the present technological platform on which mobile money operations are deployed. Can the rural market woman conclude her transaction on that phone by following voice prompts, rather than looking stupid while asking someone else to help decrypt SMS instructions? Can that mobile money brand, in conjunction with a telco or a mobile hardware manufacturer (say HUAWEI) start now to outsource product design alternatives to a tech geek somewhere in India and be the first to reach the market with this innovation?

Or else, since the present trend globally is for micro and medium scale entrepreneurs to look for informal ways to raise capital, can a mobile money

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brand partner a Non-Governmental Organization to establish a platform for crowdfunding, whereby mobile money users who believe in the cause of a particular venture can raise some capital for the dreams of an entrepreneur to take shape? Final Words The options and opportunities for mobile money brands within the marketing space re limitless.

While technology and superb organizational management may be the difference between failure and success for mobile money operators, by far the most important, yet controllable factor is Strategic Marketing. This, ultimately, will separate the bigguns from the smallies and those who have tunnel vision from the ones who may never see beyond their noses. The race has just begun. A 3600 marketing professional, Dele Ogundahunsi works with The Field Marketing Company and may be reached at the following addresses: @deneri(twitter), deneri4(skype), and /deneri4 (facebook)