

Mtn nigeria roll out strategy

Business, Strategy



MTN NIGERIA COMMUNICATIONS LIMITED Prior to 1999, which heralded the return of democracy to the Federal Republic of Nigeria, 30 companies had the Digital Mobile License (DML). None of these companies were fully operational as they lacked the technical and financial capability to operate the DML. Aside from the digital mobile licensee, the only active player who was more or less a monopoly was Nitel.

The advent of democracy resulted in the appointment of a new regulator for the telecommunications industry. One of the mandates given to the regulator was to deregulate the telecommunications sector and to drive it to become an enabler of the Nigerian economy. The regulator's first move was to revoke all DML licenses, free up the spectrums associated with the licenses and then open up the licenses to all that is interested.

After a due diligence, going thru technical and financial bids, six players were invited to bid for three of the four spectrums put up for sale (the fourth was reserved for Nitel, the government owned company). After a very competitive, free and fair bidding process, MTN Nigeria Limited emerged as one of the winning bids, paying \$285m for the license. As part of the terms to retaining the license, each operator of the DML license was to use the GSM technology. They were all given roll out targets, and targets on subscriber base. ROLL OUT STRATEGY

At a strategy management meeting, MTN identified that aside from ensuring that the roll out and subscriber base targets are met, they also have to ensure whatever strategy that is implemented will ensure that investment in the cost of the license and building of the network is recoverable and

sustainable. Two roll out strategies were identified: Width strategy and Depth strategy or a combination of both. Whichever strategy was chosen, the marketing team were to ensure that the necessary marketing strategy, slogan and drive support it