

Deloitte at West Africa Com

Deloitte joined West Africa Com as a Knowledge Partner and contributed very impactful insights to the summit, bringing vast expertise to the table through moderating and participating in highly curated, strategic discussions alongside other industry thought leaders.

Deloitte chaired two roundtables at the LeadersIn Africa Summit which is an exclusive, invite-only VIP event for the most senior and influential executives. It runs under Chatham House Rules to encourage frank, productive dialogue and build further connections between industry leaders, policymakers and regulators. It's an interactive event consisting of, highly curated quality content pertaining to current critical issues affecting Africa's development.

The LeadersIn Africa Summit took place on 13 September 2021.

West Africa Com took place from 14–15 September 2021.

Moderator at the LeadersIn Africa Summit

Topic: A Decade of Disruption: Navigating change to build the modern West African Telco



Oluwale Oyeniran

West Africa TMT Leader

Deloitte

Moderator

Deloitte West Africa TMT Leader, Oluwole Oyeniran's perspective on the roundtable discussion

A dramatic acceleration is underway. Network connected device types are multiplying, whether powerful and faster, or smaller and cheaper. These shifts have important implications for the future of operators on the continent – for the ecosystem of wired and wireless technologies, products, and services that will provide the foundation for tomorrow's digital economy.

The vision of the future creates new demands on the suppliers of connectivity, the providers of related devices and services, and the ability of industries to use their innovations to gain competitive advantage. Connectivity providers and others operating in the digital ecosystem should rethink their positions in the ecosystem to determine new build requirements, define new operating models, and innovate new services that leverage the newly available technical capabilities.

“Ecosystems and partnerships will also be key in driving change.”

Connectivity

Connectivity will remain one of the key propellers of growth and development on the continent, telecommunication companies who are able to invest in providing a better quality of service while improving their network infrastructure will reap the rewards in time. Key to this, acceleration will be the rise of smart technology advancements by building along the customer value chain and differentiating for value.

This has been made more apparent by the impact of the Covid pandemic in developing economies. Telecommunications companies are playing a key role in enabling the “new normal” by improving their infrastructures to better serve end users as they work remotely.

This future will rest on collaboration across industry and expertise to create favourable technology deployment conditions, develop valuable uses for technologies and spur new commercial opportunities. The increasing deployment of lower cost satellite based technology has helped further the agenda towards rural connectivity, this being a key segment in the region.

“Building good value chains will be key and innovation along the same will be the accelerator on the continent.”

Cost implications

Customers demand innovative pricing concepts outside the classic minute-based plans that easily facilitate data sharing and enable all the benefits of connected living. To service all the different levels of willingness to pay, strong customer segmentation for perfect price differentiation will be necessary.

As all clients have different payment preferences, telcos offer hybrid pricing models that combine pre- and postpaid models with different payment forms. This is based on the telcos' ownership of user data, which enables them to analyse customer needs and monetise user data.

Telecommunication providers are focusing on fixed and mobile network infrastructure, by installing cutting-edge fixed broadband, 5G networks or both technologies that are central to the orchestration of network mash-ups. Regional operating models and how they have evolved has been linked to economic growth and new waves of technology such as RAN (Radio Access Network); however, this expansion is very capital-intensive and therefore limited by the telcos' ability to refinance their investment.

An accelerator will be how well telcos are able to come together in delivering value to the continent beyond sovereign borders, those who are able to be fast movers will get an upper hand in being central to the development and growth in the sector.

“How do we retain value on the continent while working closer with the OEMs in these partnership ecosystems.”

Retaining value on the continent

Exploring all possible routes to build partnerships is potentially a way for telcos on the continent to start retaining value, new business models are required beyond internet and voice. The skills and capabilities are there but need to be accelerated to reach maximum potential.

Telcos need to make a tradeoff between innovating within the core of their operations or move towards the edge. Significant investments have been made in meeting customer demands for new digital services. Venturing into financial services, digital learning and being hyper intentional about customer experience, has transformed traditional telco core products and services. By rotating their offerings to be more digitally fluent in the new world as customer expectations rise, operators have been able to unlock value through advancements in connectivity, coverage and use of data.



Concluding remarks

There is a strong need for us to own our own assets to manage our resources more efficiently, and to do what makes sense in the context of our operating environment while developing progressive policy positions.

Leaving our telecommunications sector to chance will not deliver the right level of value needed to uplift economies on the continent. The GSM revolution that we envisage was not by chance but has been through concerted and clear bold leadership moves which have transformed the landscape.

So, the next evolution cannot be by chance. There needs to be the right thinking and the right motivation to take Africa to the next frontier.





Key Contact

Oluwole Oyeniran

Deloitte West Africa TMT Leader

Tel: +23 419 041 749

Email: ooyeniran@deloitte.com.ng



Author

Vincent Magagula

Africa TMT Senior Consultant

Tel: +27 11 304 5816

Email: vmagagula@deloitte.co.za

Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”).

DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

This communication and any attachment to it is for internal distribution among personnel of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms and their related entities (collectively, the “Deloitte organization”). It may contain confidential information and is intended solely for the use of the individual or entity to whom it is addressed. If you are not the intended recipient, please notify us immediately and then delete this communication and all copies of it on your system. Please do not use this communication in anyway.

None of DTTL, its member firms, related entities, employees or agents shall be responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

© 2021. For information, contact Deloitte Touche Tohmatsu Limited.