

The Innovations of ICT and their Strategic Use in Governance, Society, and Globalization

Coordinator: Professor Jay Rajasekera

Platform Participants

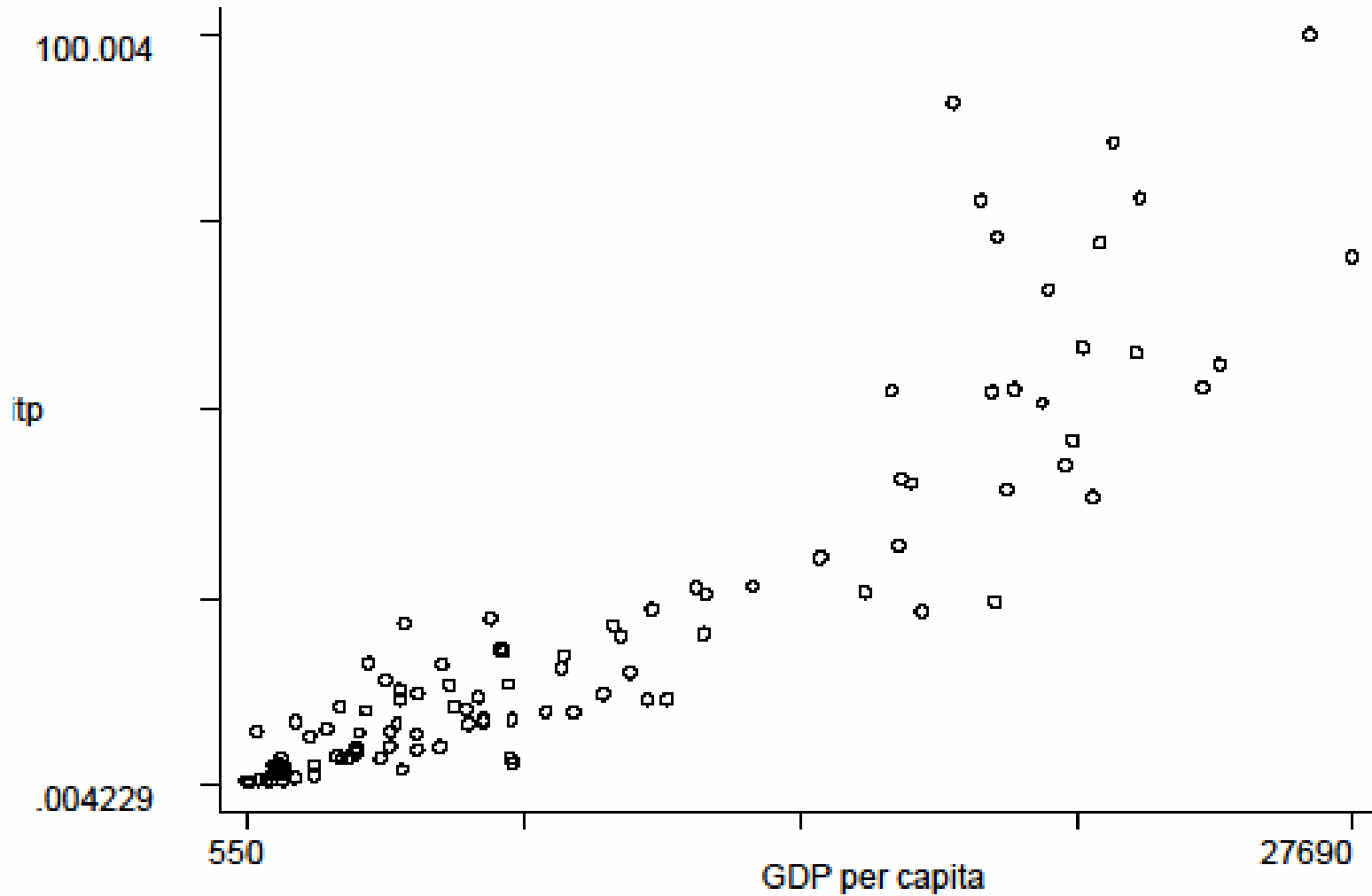
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- Wong, Shi Jie
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Platform Objective

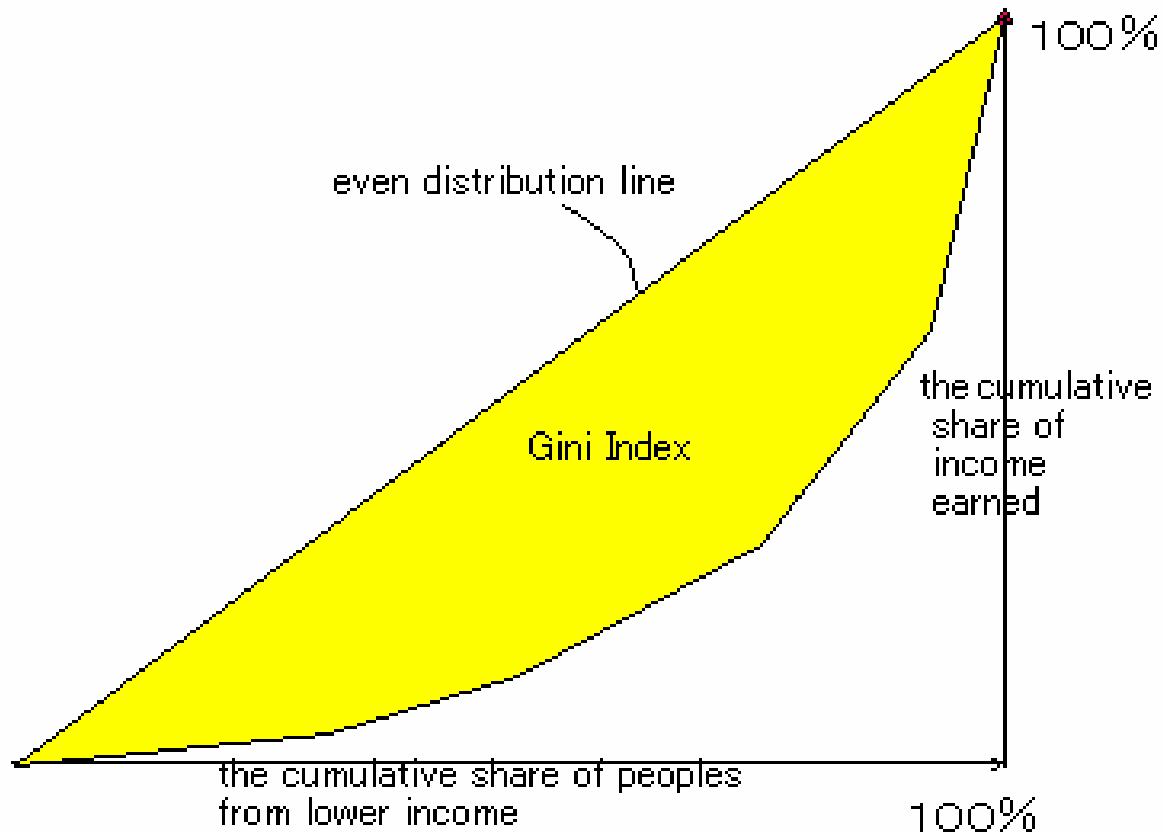
“To find way to help Societies to grow using ICT”

Figure 1: Technological Progress and Income Per Capita

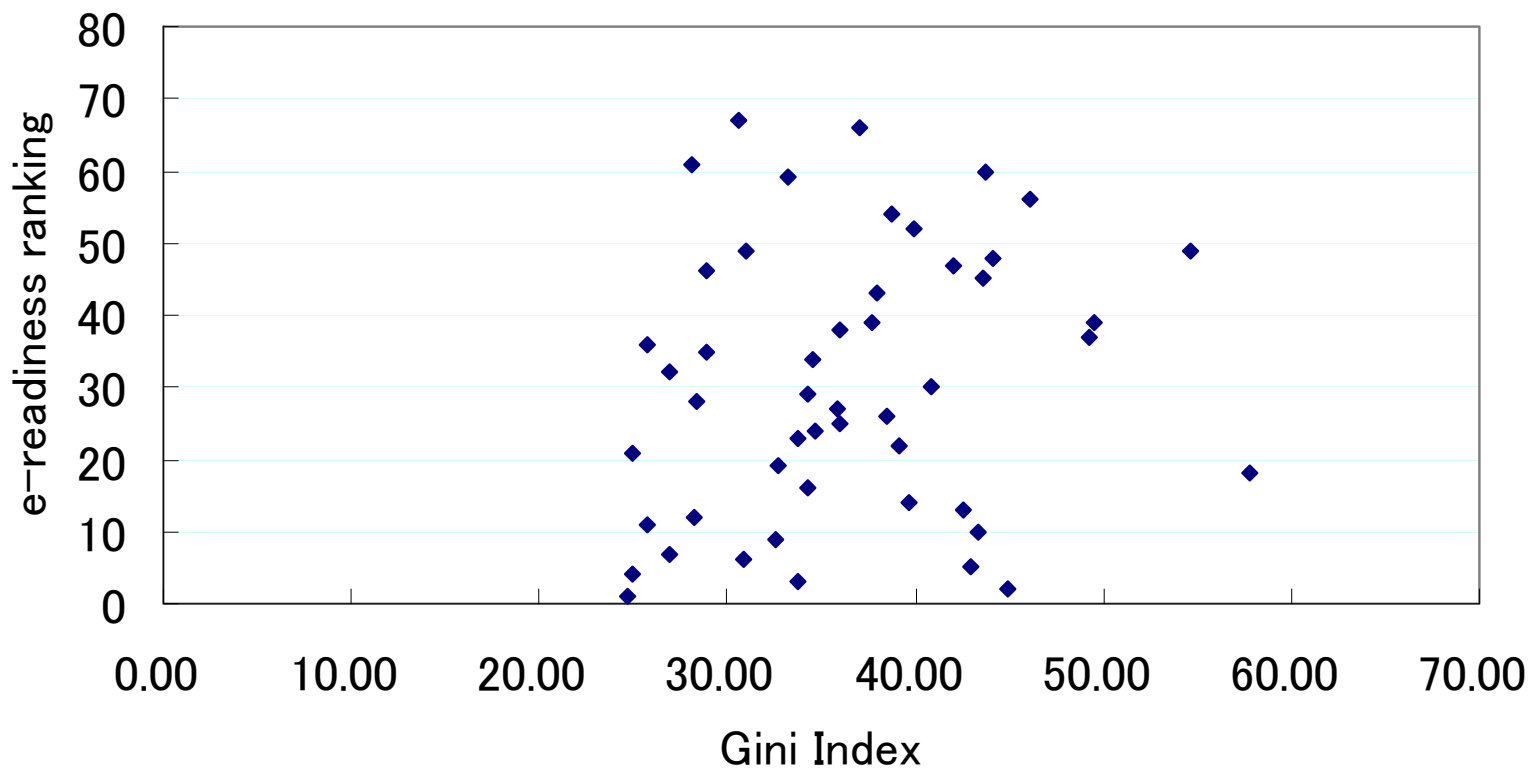


Source: Center for International Development, Univ of Maryland (see this report in this folder)

Income Disparity: GINI Index



Gini Index vs e-readiness rank



See: Gini vs IT in this folder

A Sustainable Village Phone Model on Mobile Information Services

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EBIZ MANAGEMENT PROGRAM

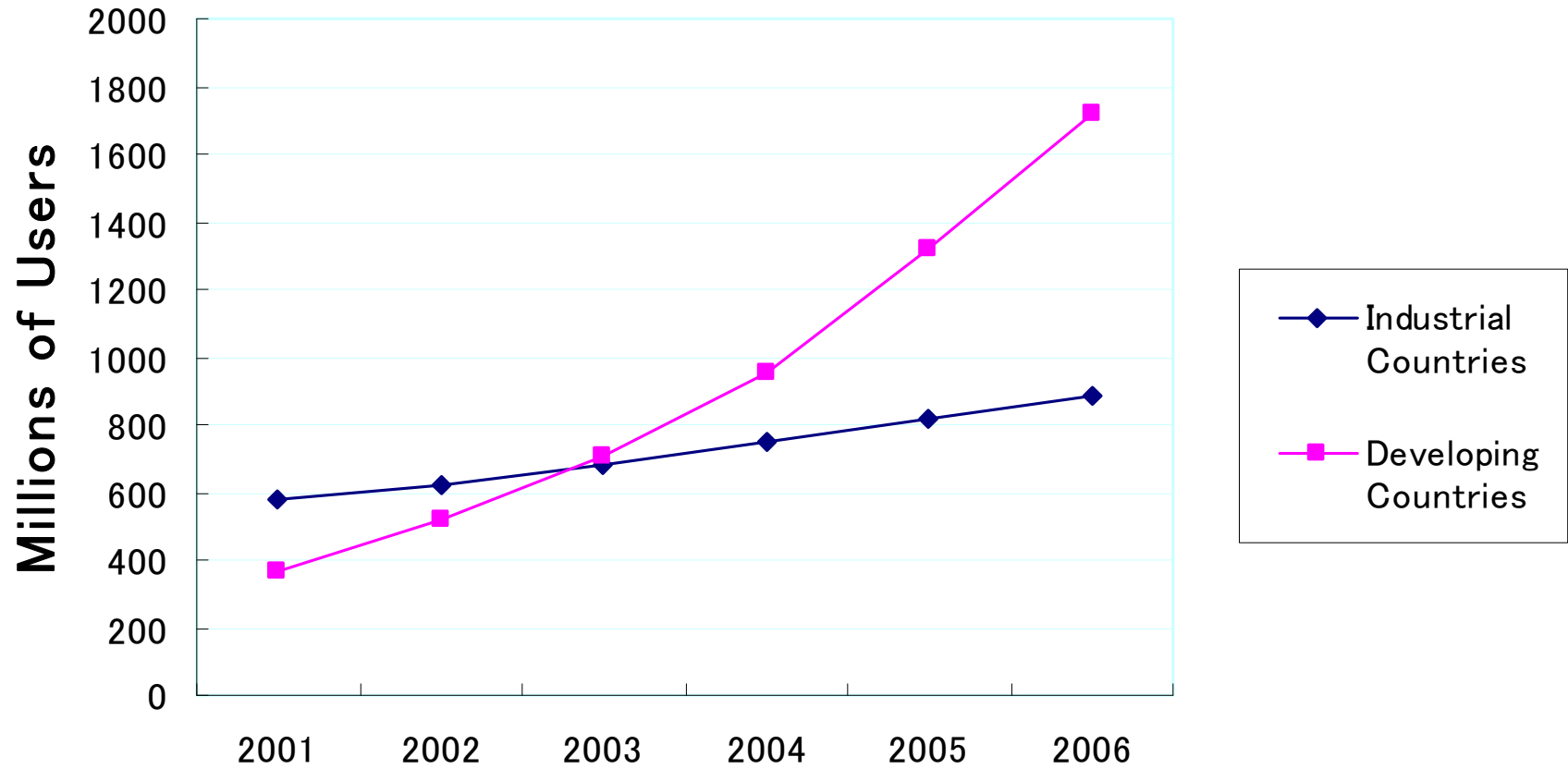
Market Dynamics in Telecommunication Market

	2005	2006
Market value	1 150 billion USD	1 200 billion USD
Annual growth rate	5.6%	5.2%
Share of mobile services	48.4%	51.0%
Share of developing countries	26.7%	29.1%
Fixed lines	1.21 billion	1.24 billion
Fixed penetration (% of population)	19.5%	19.7%
Mobile customers	2.14 billion	2.60 billion
Mobile penetration (% of population)	34.3%	41.3%
Broadband subscribers	215 million	277 million
Broadband penetration (% of population)	3.4%	4.4%

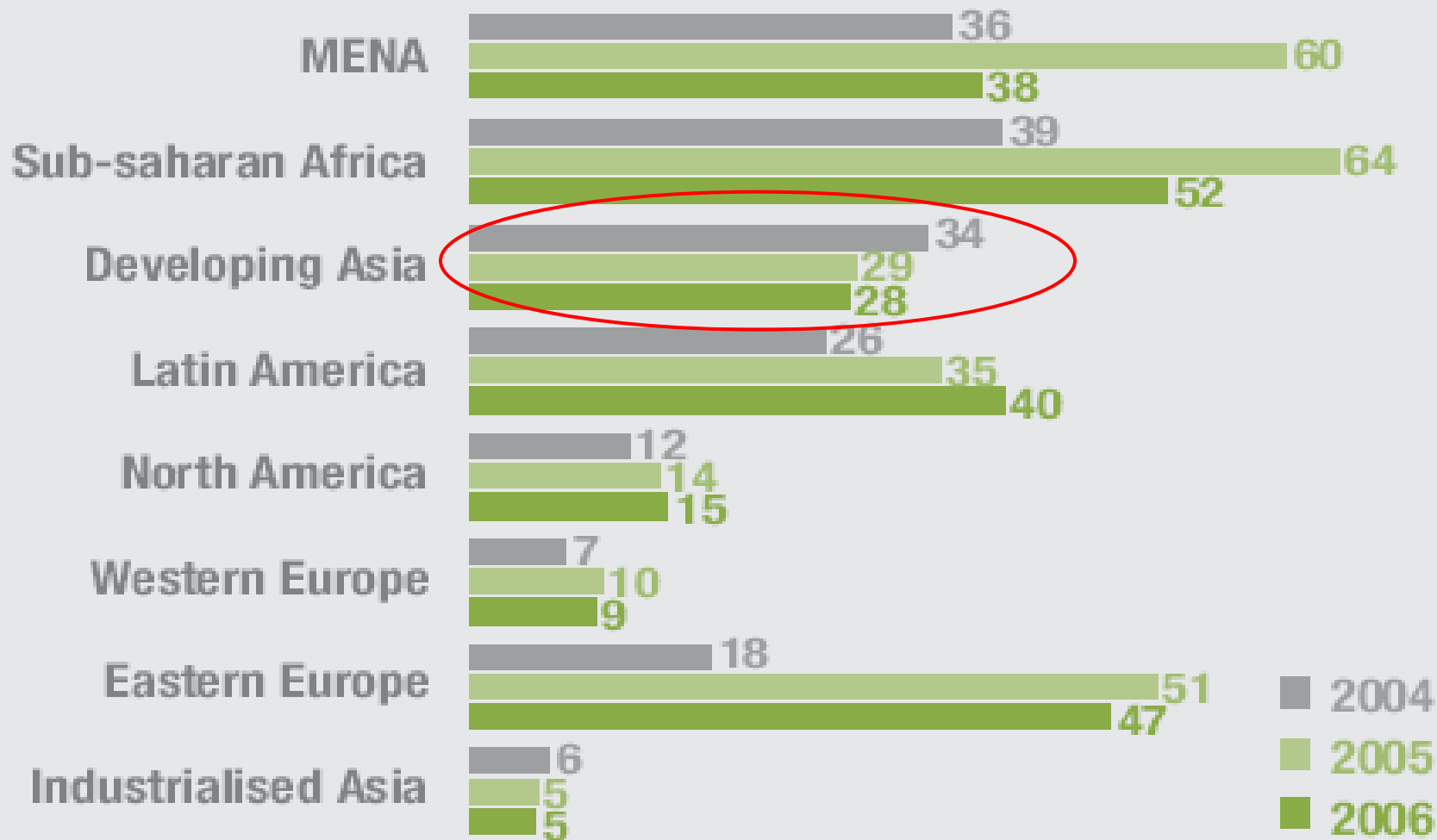
Customer bases: Industrialized vs. developing countries (in millions)

		2001	2002	2003	2004	2005	2006
FIXED LINES	Industrialised countries	537	533	525	516	502	488
	Developing countries	471	518	583	654	711	756
MOBILE CUSTOMERS	Industrialised countries	576	625	682	748	821	886
	Developing countries	369	521	705	955	1 320	1 716
BROADBAND SUBSCRIBERS	Industrialised countries	34	58	86	120	155	186
	Developing countries	2	5	16	36	60	91

Developing Countries User Base has Grown

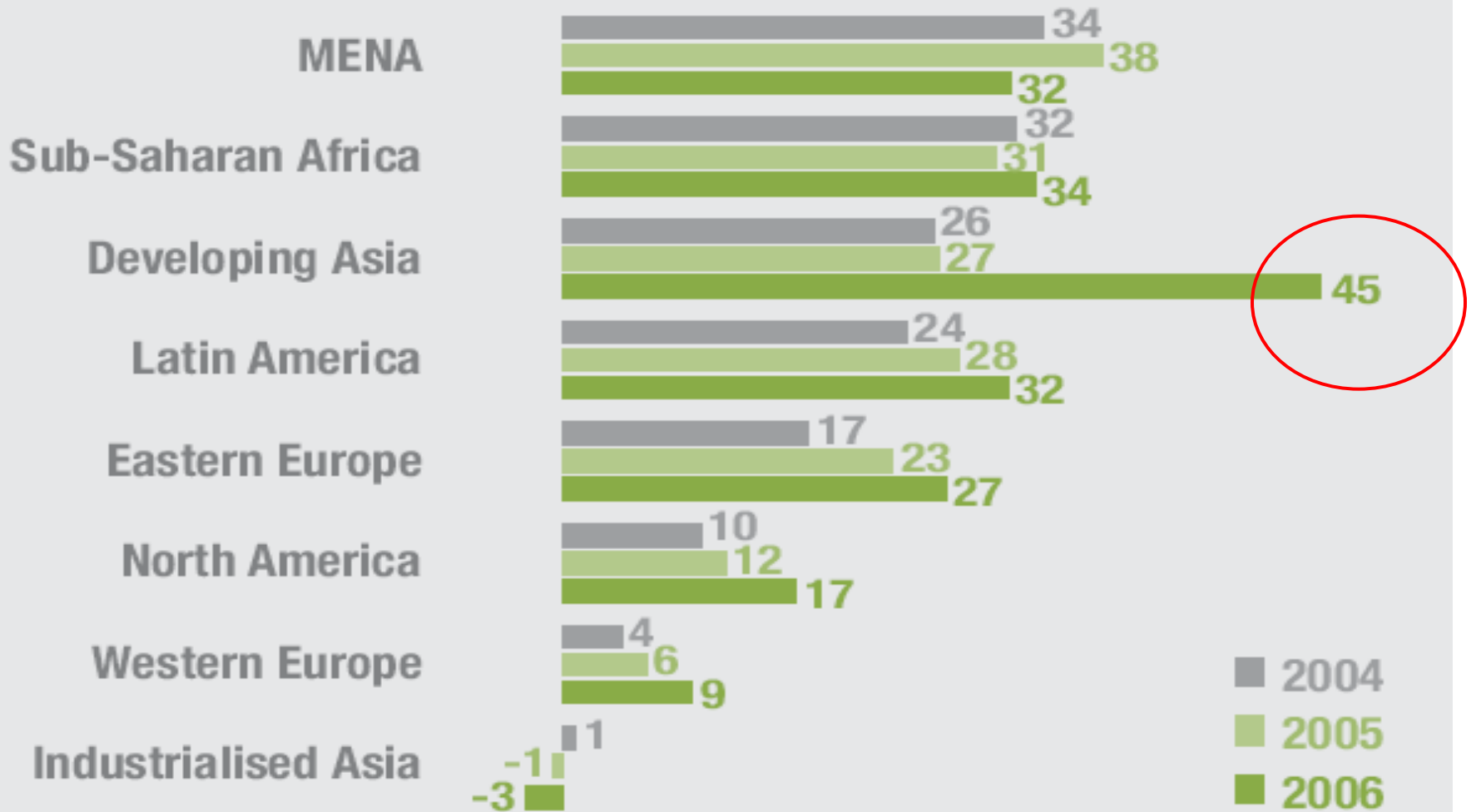


Annual growth of market volume (mobile customer growth, %)



Market growth in value

(growth of mobile services revenue, %)

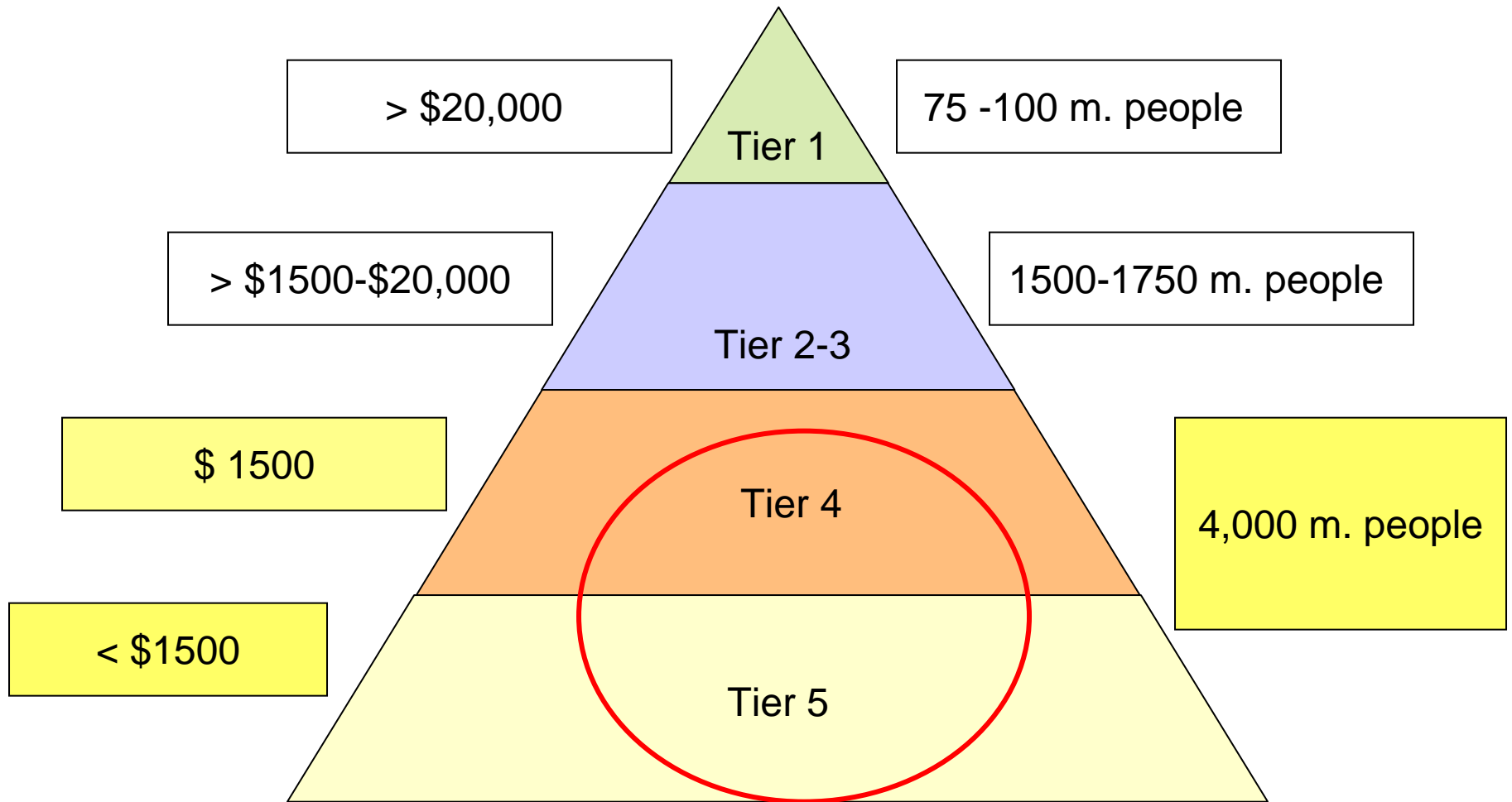


A Sustainable Village Phone Model on Mobile Information Services

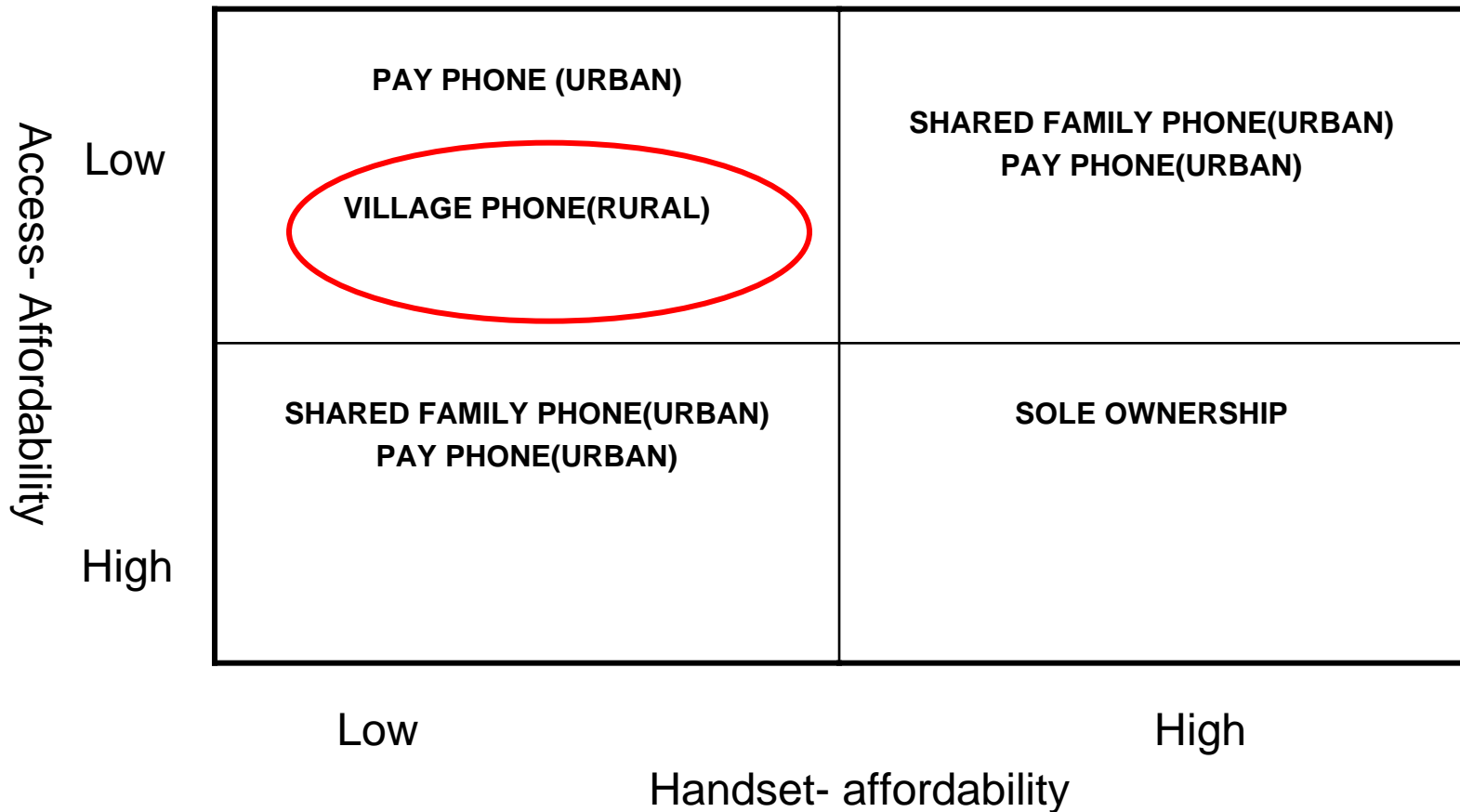
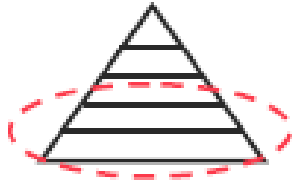
Core concept

“If we stop thinking of the poor as victims of or as a burden and start recognizing them as resilient and creative entrepreneurs and value –conscious consumers, a whole new world of opportunity will open up”

Bottom of the Pyramid



Mobile services in the BOP market



Village phone- A unique Business Model

To connect rural Bangladesh through mobile telephone services by creating micro entrepreneurs (phone ladies):

- ✓ who can sell phone services to the villagers;
- ✓ generate individual income ;
- ✓ provide Company profit;
- ✓ And connect rural village with information.

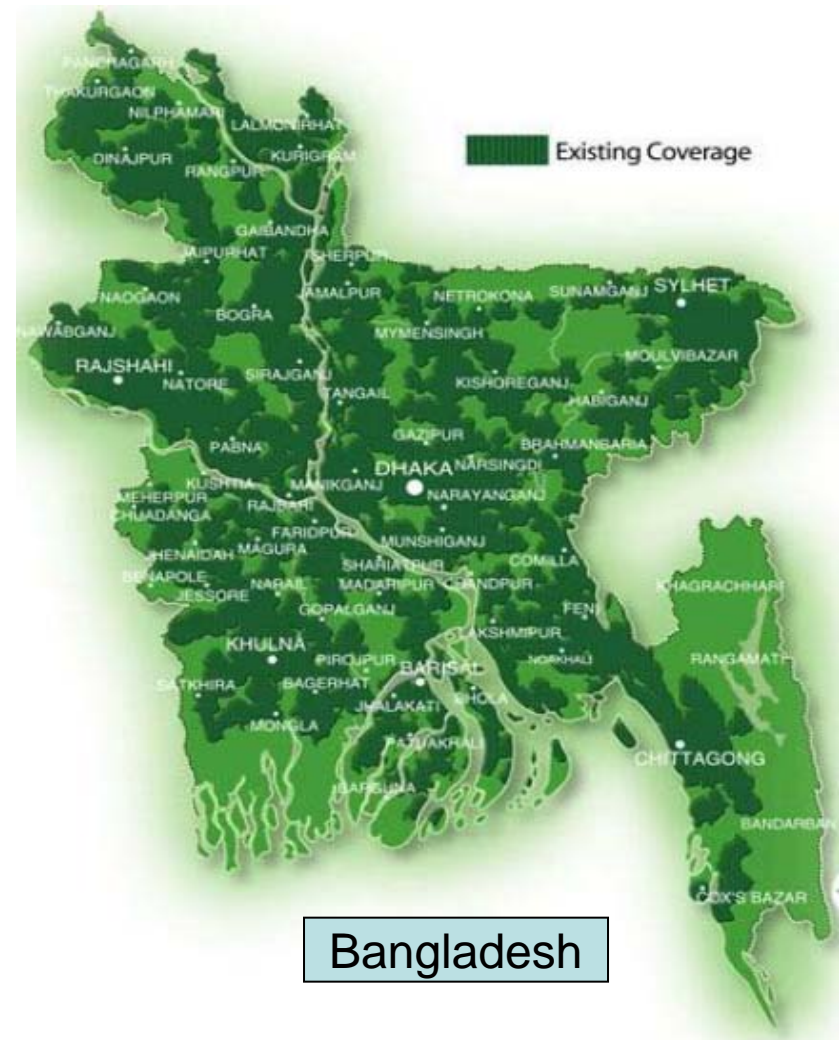


Muhammad Yunus
Founder of Grameen Bank;
Noble Peace Prize Winner 2006

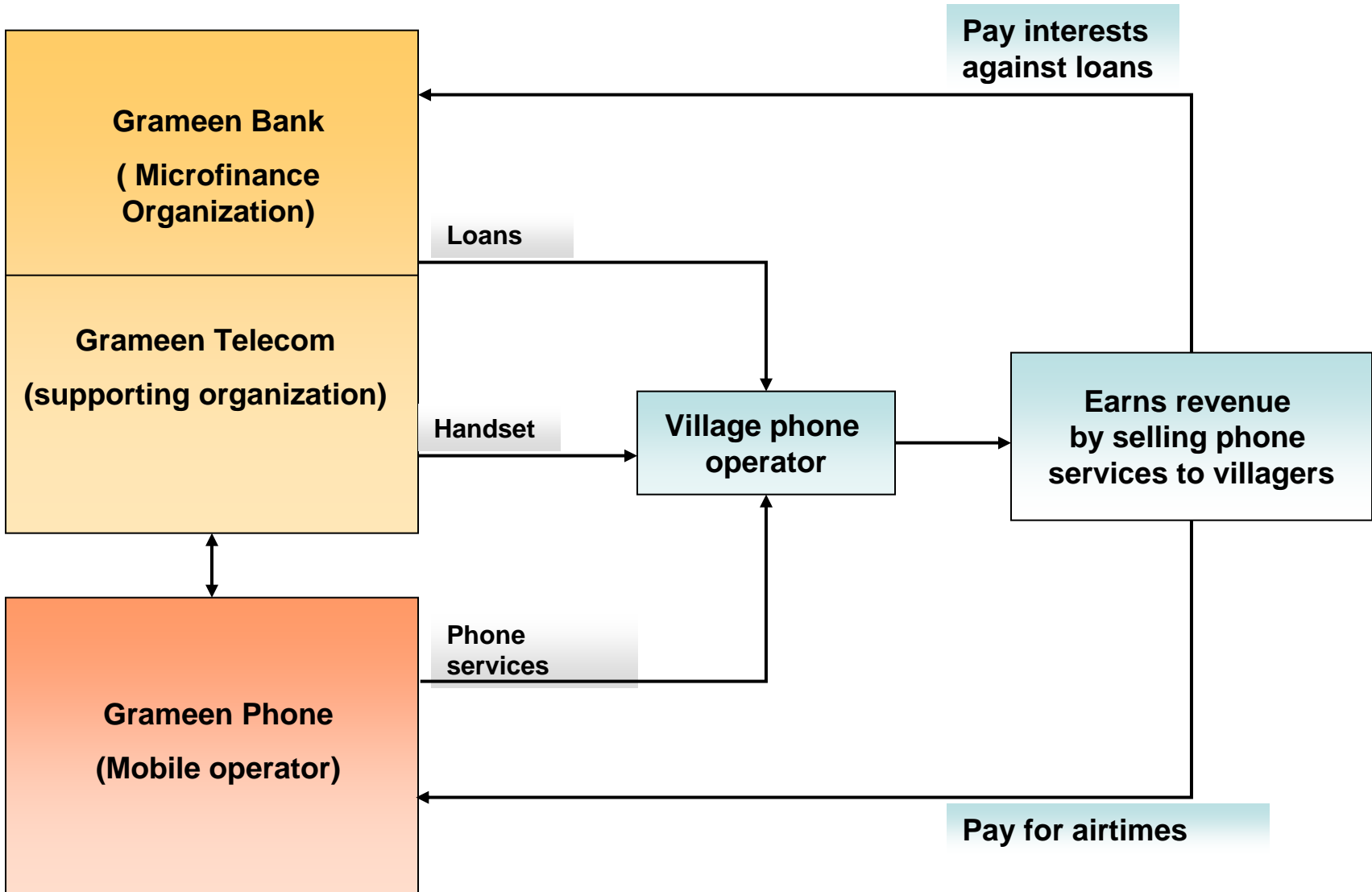


Village phone statistics

- Started operation in March, 1997
- 260,000 Village phone operators now.
- Covering 50,000 villages



village Phone Business Model



Win-win situation among the parties

Partner	Essential service provided	Winning strategy
Microfinance institution (GB)	Loans	Income from loans
Village phone company (GT)	Handsets and Other equipments	Sustainable operation.
Telecommunication Company (GP)	Network coverage	New revenue generated from airtime sales from a previously inaccessible market.
Village phone operator (Phone Ladies)	Phone services to villagers	steady income.
Community members (customers)	Affordable telecommunications	Access to affordable telecommunication

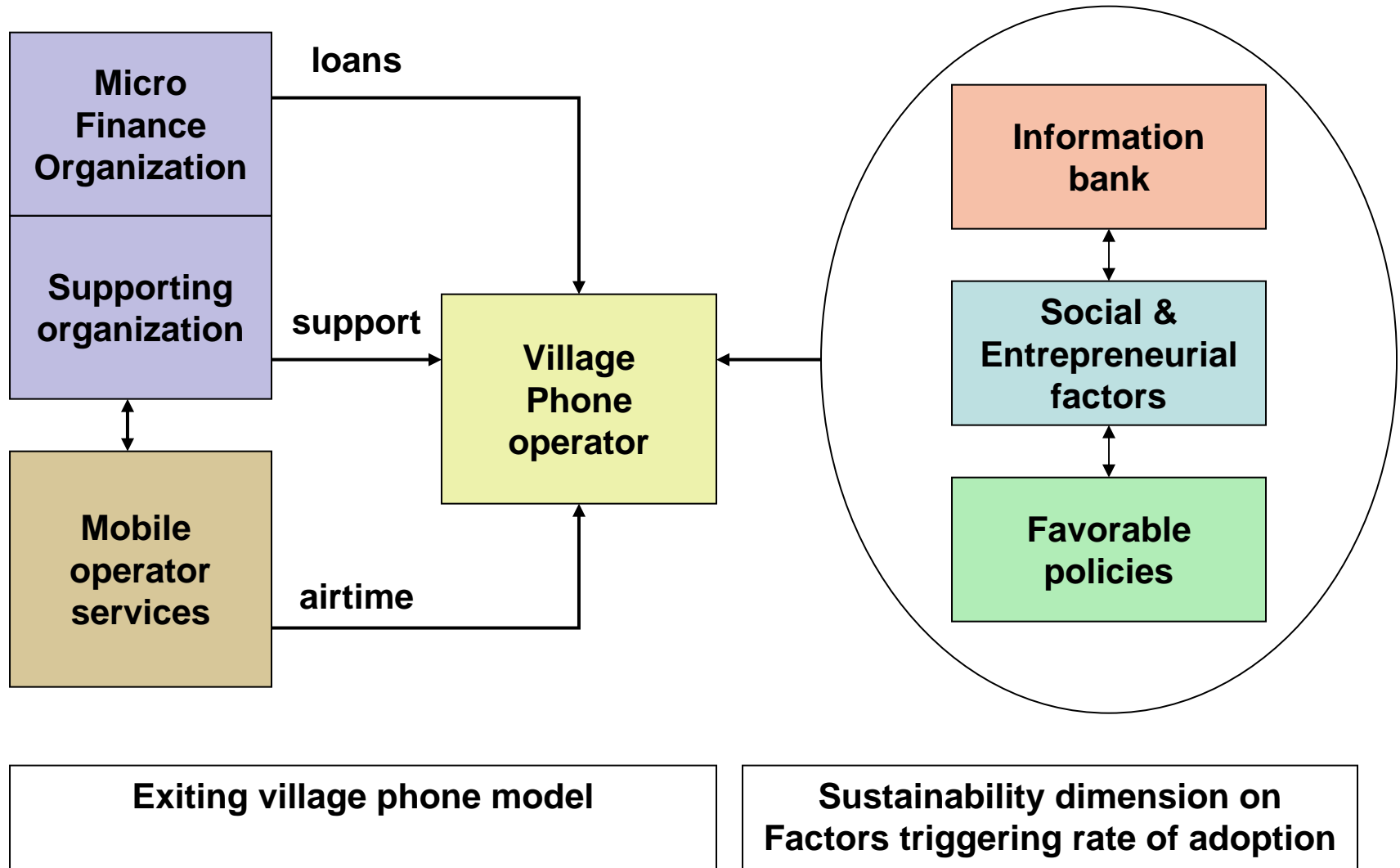
Problem: the village phone model is threatened with sustainability because:

- Reduced call rates
- A rapid decrease in handset prices & sim cards
- Segmented offerings
- Unfriendly policies of Govt.
- Negative social factors (education, marital status, religion etc.)
- Lack of true entrepreneurial spirits (self confidence, self actualization, tenacity etc.)

Adding sustainability:

- Time befitting attractive information
- True entrepreneurial spirits
- Social Factors
- Favorable policies

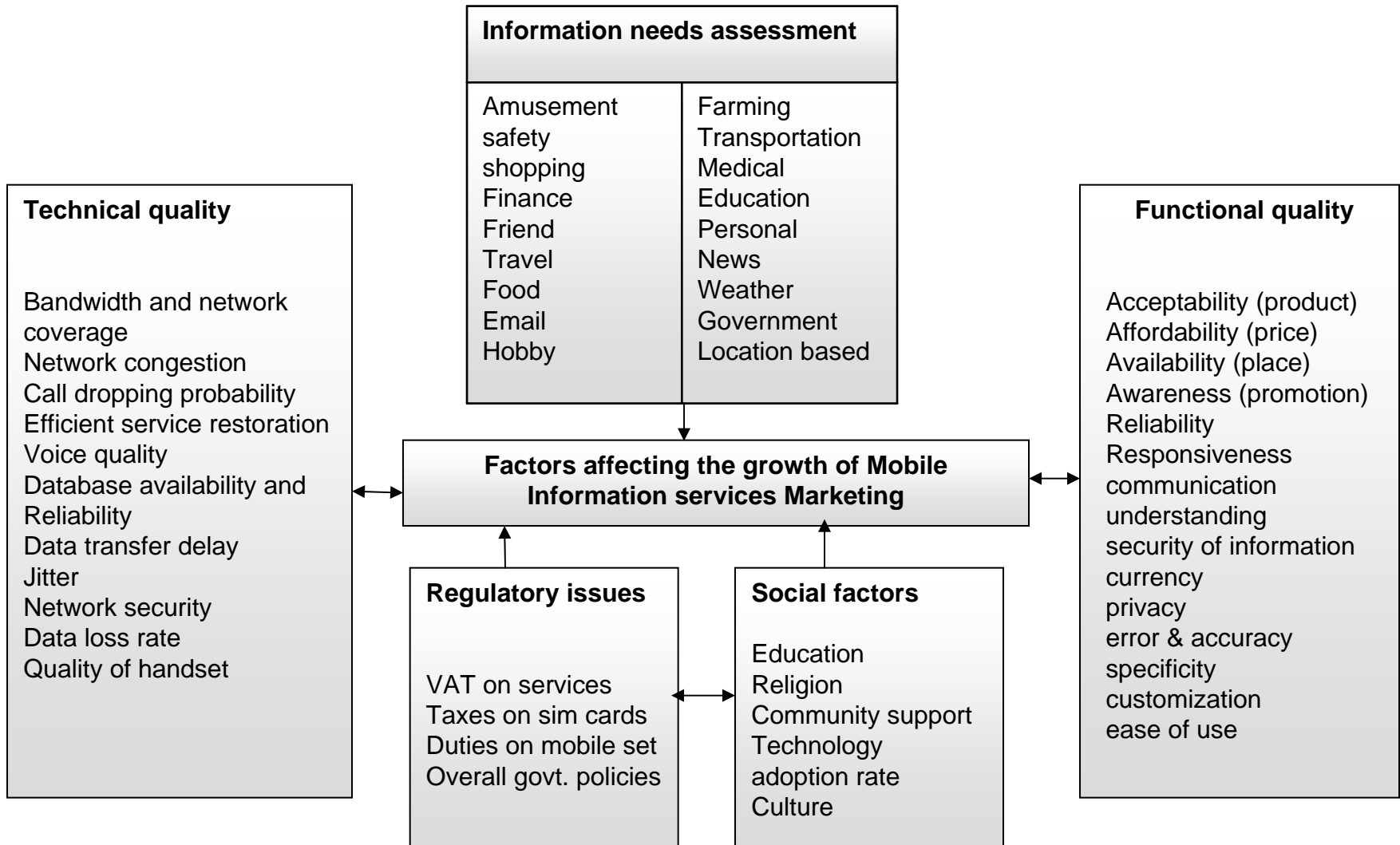
Developing a Sustainable Village Phone Model



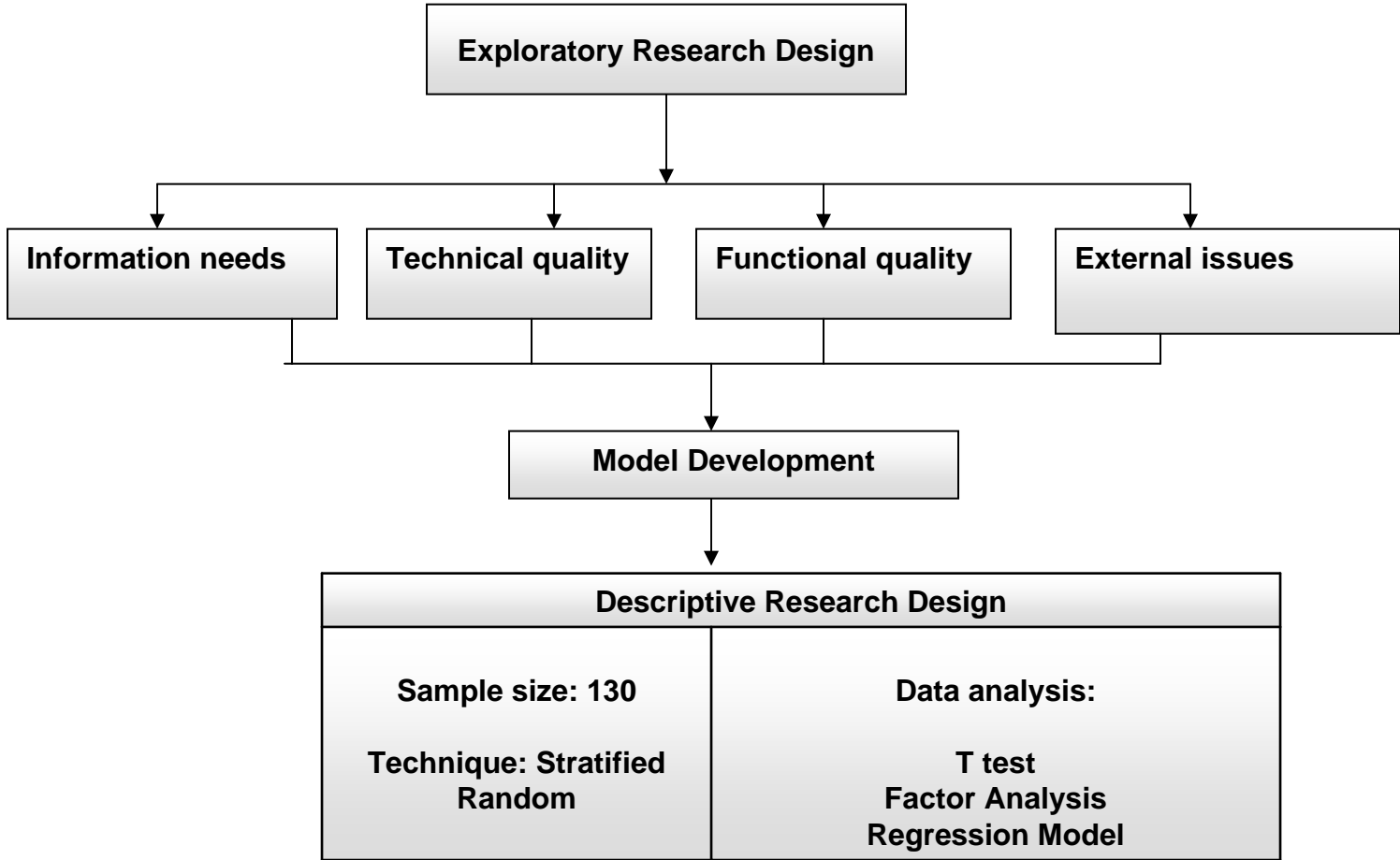
Research Questions-to be addressed

- What sorts of information are attractive to village phone operators?
- What are the functional qualities of information?
- What are the technical qualities of information?
- What type of entrepreneurial characteristics are necessary to become village phone operator?
- Are there any specific social factors which influence the growth of this venture?
- What sort of policies are favorable to village phone operators?

Model Development on Mobile Information services



Research Design



Significant Information to the BOP Market

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
information about Farming	27.181	99	.000	1.520	1.41	1.63
information about Weather	18.352	99	.000	1.280	1.14	1.42
information about Market price	25.811	99	.000	1.490	1.38	1.60
information about Healthcare	27.293	99	.000	1.630	1.51	1.75
information about Financial matters	4.081	99	.000	.480	.25	.71
information about Education	14.013	99	.000	1.100	.94	1.26
information about News	16.415	99	.000	1.160	1.02	1.30
information about Transportation	17.996	99	.000	1.430	1.27	1.59
information about Governmental issues	.420	99	.675	.060	-.22	.34
information about Hobby	.083	99	.934	.010	-.23	.25
information about Amusement	-.832	99	.407	-.100	-.34	.14
information about Shopping	-1.926	99	.057	-.250	-.51	.01
information about Email	-1.101	99	.274	-.140	-.39	.11
information about Safety	7.669	99	.000	.730	.54	.92
information about Location	-.339	99	.735	-.040	-.27	.19
information about Food	2.645	99	.010	.330	.08	.58
information about Personal	-.520	99	.604	-.060	-.29	.17
information about Travel	.083	99	.934	.010	-.23	.25

Information needs assessment (Factor Analysis)

Factors	variance explained (70.84%)	Extracted variables
Livelihood	33.87%	Farming, market price, education
Informational	19.30%	Health care, news, weather
Administrative	17.60%	Finance, Safety, Transportation

Q & A