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Global to Local: Mobile in the developing world

OPINION

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In the developing world, mobile is not just the first screen but a communications tool, a wallet and a gateway to services. Liam Brennan, Global Director of Innovation at MediaCom, highlights how it's being adapted to localised audience behaviour.

According to the 2018 IAB UK Expenditure Report, mobile advertising now accounts for over half of all digital ad spend, with most of the growth now coming from streaming video.

But despite advances in formats, reach and capability, too many advertisers in 'developed' markets are still treating mobile as just another screen, often reusing the same creative they run on desktop.

In more mobile-mature markets, like China, attitudes couldn't be more different. In these territories, the smartphone is and always has been the first screen – a way to drive to, and enhance, physical retail stores, build digital communities and enable/drive payment, all in one seamless experience.

This positioning is even more prevalent in developing markets, where branded experiences and utilities are being adapted for existing mobile behaviours and enabling consumers to carry out new tasks where existing infrastructure has failed or lacking.

Myanmar: Asia's latest mobile boom market

This summer, I travelled across Myanmar, a country that has only recently opened itself up to the wider world. It has poor communications infrastructure compared with its neighbours – fast fixed-line connections are rare and WiFi is slow to non-existent outside of higher-end hotels – but mobile connections here are fairly fast and data is cheap.

As a result, smartphones are the primary point of internet access for more than 80% of the population. High quality, cheap handsets from Chinese brands such as Oppo, Vivo and Xiaomi are connecting the country and putting Hi-Def Entertainment devices into the hands of the masses.

Using a smartphone as the sole entry point for the internet tends to be the norm in developing countries – which means faster take-up from locally built apps and services and a wider gap between what local consumers want and what global platforms are offering.

Over the last decade, we've seen countless 'mobile hacks', where local brands adapt existing tech to suit local behaviours. In India, for example, there is the 'missed call marketing' industry, which lets people request call-backs (saving them call credits) to manage their mobile banking, receive job postings, or even hear the latest Bollywood hits.

A few years ago in Thailand, savvy online store owners started posting (Japanese chat app) Line IDs on their Instagram imagery – creating Shoppable Instagram posts (three

years before Facebook). Interacting over Line allows the merchant and customer to negotiate and finalise the transaction – creating a human shopping experience that many Thais preferred to anonymous online stores.

Such ‘cultural quirks’ are rarely picked up on by global tech companies.

Thinking global, acting hyper-local

When it comes to apps, ‘western’ mobile users have an abundance of options; they’re used to jumping between multiple food delivery, news, or shopping platforms. But in the developing markets of Asia, one app typically dominates. You rarely see a strong market leader overtaken.

Because of this, foreign companies looking to enter these markets are increasingly investing in or acquiring local companies rather than competing against them. Alibaba, for example, has acquired eCommerce platforms Daraz (owner of Myanmar’s Shop.mm and other local players in Bangladesh, Nepal and Pakistan) and South-East Asian powerhouse Lazada.

Interestingly, these apps are trying to copy the Chinese model and push consumers into walled mobile ecosystems. But while consumers might appreciate their familiarity and simplicity, these ‘walled gardens’ make it hard for brands to reach users in-app and build mobile identities.

The local apps I used in Myanmar weren’t ad-free though – many had sponsorship opportunities, branded stores and data-enabled partnership opportunities. Grab (the regional Uber equivalent) rewarded my loyalty with discounts at local restaurants, and Telenor (my chosen data provider) texted me ads or offers depending on my location and time of day. Although primitive, they were delivered in user-friendly formats and used consumer data targeting to push from brand message to outcome.

Local to global lessons

While mobile experiences currently look different in other parts of the world, the smartest brands are already preparing for a shift to an ecosystem-driven world like that in Myanmar. Some brands will find it easy to move consumers into their own app ecosystems and develop one-to-one relationships but others need to give consumers more incentive to visit their web presence.

With limited paid placements available on mobile – many of which already sit within ecosystems owned by Facebook and Google – brands need to stop thinking of mobile as just a screen opportunity and pursue longer-term mobile app sponsorships, develop data capture or exchange strategies, and leverage the utility side of the tech far more).

For the majority of the world's population, the mobile web is the web. Brands increasingly need to look to Asia – not Silicon Valley – for mobile best practice, not just in terms of paid advertising but also as the primary way to reach, communicate with and sell to local audiences.

Myanmar's standout apps

- Wave Money
  In Myanmar, only 20% of people have a bank account. Wave allows users to store their money in-app, using their phone number as ID, and facilitates secure payments to other users who can redeem credit for physical notes in 31,000 Wave stores across the country. With 1.3m million customers, it's a major alternative to bricks and mortar banking.

- Grab
  South-East Asia's Uber has been adapted for the local Myanmar taxi, bike and 'tuk-tuk' industry. Grab's appeal is less about ability to access transport on demand in the country, but rather one of safety and security with independent operators. Customers pay a premium for the service but are rewarded with discounts at restaurants and shops.

- Zapya

  Chinese peer-to-peer file sharing app that's extremely popular in Myanmar, Zapya enables users to transfer and share files such as music & videos without using mobile data (as well as avoiding government monitoring). It works by creating a Wi-Fi hotspot to which other devices can connect to.

- KarGo

  KarGo has digitised highly complex B2B trucking logistics in Myanmar, working with multinational companies such as Coke and Nestlé, as well as local small to mid-size businesses. KarGo is a graduate of Phandeeyar, Myanmar's first tech accelerator.

- Shop.com.mm

  E-commerce is underdeveloped in Myanmar and premium foreign brands and modern shopping malls are uncommon. Thus, fake products are everywhere. Shop gives people access to premium products they can pay for using local payment methods (including cash on delivery).

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