

Mobilising growth in rural India

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Dhanya Krishnakumar | TNN

Bangalore: The power of mobile telephony is redefining the economic and social fabric of rural India.

The country adds six million new mobile subscriptions each month. The teledensity has increased to 20.52% in July 2007 from 19.86% in June 2007, according to the Telecom Regulatory Authority of India (TRAI). One in every five persons now owns a telephone as the total number of subscribers reached 232.87 million by July.

The total wireless subscriber base has touched 192.98 million now. The rural markets contribute about 5% of the national GSM handset sales, according to a study done by LIRNEasia and AC Nielson. This is expected to rise to 25-30% by 2009. And by the end of next year, three quarters of India's population will be covered by a mobile network.

Many of these new mobile citizens live in poorer and far-flung with scarce infrastructure, poor illiteracy. It's no surprise then that handset makers like Nokia, Motorola, Samsung, LG, and Sony Ericsson are trying hard to get their India-formula right, to capitalise on the rural market.

Nokia recently commissioned a research called Mobility Development Report through The Center for Knowledge Societies (CKS) to understand the nuances of this spawning market opportunity.

Rural-Friendly Mobiles

Based on extensive studies Nokia has realised that when designing a product for rural markets there are certain aspects of the form factor that needs to be kept in mind. For instance; a farmer is not terribly keen on having a camera on his phone. But FM or radio capabilities are appreciated since these people are used to listening to music on a transistor or a similar device. Explains Devinder Kishore, director marketing, Nokia India, "The three killer applications when it comes to phones for the rural market are an in-built torchlight,

an alarm clock and the basic ability to communicate using voice. Some of the other useful features are rust resistant keypads, sturdier and breakage proof models, longer battery life considering they don't charge their phones on a daily basis and there is also the problem of power supply in these areas, and most importantly easy to use features and buttons."

Another key element in all this is language capability. Since a large section of these people are not well versed in English, it is absolutely essential to provide a regional touch. Nokia introduced localised interface in 9 Indian languages in order to provide the benefits of mobility to a larger section of the society.

There have been efforts to introduce handsets, which support voice prompts in various Indian languages. For instance, Motorola has already introduced the MOTOFOONE, which responds to prompts in local languages. According to Lloyd Mathias, Marketing Director of Mobile Devices at Motorola India, "We developed the MOTOFOONE keeping in mind the semi-urban and rural audiences. The attempt here is to be able to have a dialogue with the customer. This model also comes with higher audio levels, which are necessary given Indian conditions, especially if the person using it is standing in the midst of a market or so. We have also taken into consideration factors like longer battery life for the phone with a quicker recharge time in keeping with known realities like power cuts in these areas."

One of the more expensive features of the mobile handset is the display. However, some experts argue that although cost reducing, removing the LCD display is not an alternative for the poor because of two reasons. Firstly, people don't want ugly handsets. The telephone needs to have a nice design or it will not sell. Secondly, the display offers several features of added value to the people, such as a clock, light, infor-

mation about a phone call, battery time and signal coverage, which are integral to such audiences.

Tailored to Their Needs

While language is a huge factor, the relevance and the value derived from the device are equally important. Adds Samuel Selvakumar, operations director, Hutchison Essar South, "The onus is on providing people in these areas with services that are tailor-made to suit their needs. And com-

their margins by 8% while reducing the prices for consumers by 4%.

The report also says that soon after mobile phone coverage in Kerala spread from 1997 to 2000, the number of fishermen selling their catch outside their home markets rocketed from zero to 35%. This also ensured that instead of selling their fish at beach auctions, the fishermen would call around to find the best price. "Each community has a specific need based on the occupation. Everyone wants information. How-



Illustration: Prakash Babu

modity prices are the biggest draw for this population. All of them have some sort of produce to bring to the market. And if we can provide them with timely updates, then they can benefit from the phone."

In fact this phenomenon was studied by a Harvard University economist, Robert Jensen, who studied the impact of mobile telephony on fishermen in the state of Kerala. According to the report, mobile phones have not only eliminated the need for fishermen to dump unsold fish in the sea, but also actually helped them increase

ever, designing customised packages are not an easy task," explains Selvakumar.

Ridden With Obstacles

But the other problem is the fact that most people are not comfortable using text options, so information will have to be provided in voice format. That is another cumbersome task. "Also the pricing for such services. A farmer cannot afford to pay Rs 6 per minute to listen to the commodity prices. He will hang up mid way, even without getting what he

Rural Friendly Mobiles

- Battery time should be substantial
- Dust-resistance
- Water-resistance
- Improved signal sensitivity
- Large buttons on keypad
- Lesser buttons
- No buttons on the side
- Display should be prominent
- Multilingual support for keypad
- Women friendly designs
- Alarm clock
- Flashlight
- FM/Radio

Mobiles to help certain sectors

- Transport
- Micro-commerce
- Finance
- Healthcare
- Governance
- Education
- Infotainment



wants. So the obstacles are one too many," says Selvakumar.

Reasons such as these prevent service providers from providing anything over and above the basic voice services in these interior parts.

Another stumbling block often cited is that of a lacking distribution channel for supply, maintenance and, most importantly, for promotion and communication of the availability of the technology.

The Last Word

Even as handset makers work on models that are low-priced and user-friendly, the onus is on the service providers. They have to ensure that there is last mile connectivity and relevant information available in a usable format so that, the mobile phones can indeed make the life and work in rural India better!