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OTT communication services in Sub-Saharan Africa: consumer survey

Karim Yaici and Alex Bilyi

About this report

This report uses consumer survey data to identify which over-the-top (OTT) communication apps are the most popular in Sub-Saharan Africa (SSA). It also assesses which OTT communication app features are used the most and identifies the barriers to VoIP adoption.

The survey was conducted in association with On Device Research between September and October 2021. The survey groups were chosen to be representative of the mobile-internet-using population in the region. We set quotas on age, gender and geographical spread to that effect. There were at least 750 respondents per country, and 2250 in the region.

GEOGRAPHICAL COVERAGE

Sub-Saharan Africa:

- Kenya
- Nigeria
- South Africa

KEY QUESTIONS ANSWERED IN THIS REPORT

- Which OTT communication apps are used the most in Sub-Saharan Africa?
- Where is there potential for growth in the OTT communication market?
- Which OTT communication app features are most-frequently used?
- Is there any remaining potential for monetisation by mobile operators?
- Which channels do consumers prefer to use to interact with brands?

WHO SHOULD READ THIS REPORT

- Operator-based strategy executives and marketing managers who are interested in understanding consumer market trends and the changing role of operators as communications providers.
- Market intelligence and research executives in service providers that are responsible for understanding end-user trends and supporting business units in identifying and addressing new opportunities in mobile communication services.
- Equipment/device manufacturers and software providers that want to identify end-user trends in service and device usage and help their operator customers to better address market opportunities.

Executive summary

WhatsApp and Facebook Messenger continue to be the leading OTT communication platforms in SSA, but a plethora of apps, including local ones, are challenging their dominance.

Over 96% of respondents in Kenya, Nigeria and South Africa stated that they use either WhatsApp or Facebook Messenger (FB Messenger). The dominance of Meta is limiting the ability of other apps to acquire new users. However, a few managed to grow the size of their bases through differentiation: Telegram offers enhanced security and focuses more on B2C communications, while locally developed OTT apps, Ayoba and Moya, are attracting customers by offering data-free access to some features and by integrating gaming, music and payment services.

Respondents' engagement with OTT communication apps (OTT comms) is continuing to grow.

Engagement with OTT comms continued to grow in 2021 following a spike in 2020 due to the COVID-19 pandemic. They used more features than in previous years. Respondents actively use a mix of operators' mobile voice, OTT voice and video calling services. This should prompt operators to review their person-to-person (P2P) communication portfolios and pricing to remain relevant. Video calls also became a key element of consumers' digital interactions, and are used more than VoIP services on OTT apps.

Consumers reported that the main barrier to VoIP adoption is data usage. Operators could expand their zero-rated and dedicated data plans to support VoIP services on WhatsApp, FB Messenger and their OTT platforms as well as messaging and picture sharing.

Figure 1: OTT comms penetration, SSA, 2021[1]

App name	Kenya	Nigeria	South Africa
WhatsApp	96%	92%	95%
Facebook Messenger	64%	74%	68%
Telegram[2]	50%	48%	n/a
Snapchat	24%	25%	22%
Skype	16%	11%	14%
imo	11%	6%	3%
LINE	6%	2%	3%
WeChat	5%	5%	5%
Viber	4%	4%	3%
Moya	n/a	1%	11%
Ayoba (MTN)	n/a	9%	6%

Source: Analysys Mason

Consumers are increasingly using OTT apps and social media to communicate with brands.

SMS was less popular in 2021 than in previous years; more smartphone users and businesses are turning to OTT and social media apps for direct B2C communications. Operators should therefore offer merchants the tools to establish sales and communication channels on their OTT and e-wallet platforms (as MTN did with Ayoba and MoMo).

[1] Please refer to the methodology and panel information section for the sample size and relevant survey questions. [2] We have estimated the penetration of Telegram in Kenya based on 2020's consumer survey data because it was not included as a response option in the 2021 edition of the survey. Telegram was also not presented as an option to respondents in South Africa.

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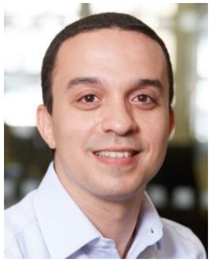
About the authors



Karim Yaici (Senior Analyst) is a lead analyst for Analysys Mason's *The Middle East and Middle East* regional research programme and a contributor to the *IoT Platforms and Technology* programme. His primary areas of specialisation include operators' digital strategies, new telecoms opportunities and challenges, consumer and enterprise trends in MEA and IoT platforms. He is also a regular speaker and moderator at regional telecoms events. Karim holds an MSc in information systems management from the University of Southampton and a PhD in human–computer interaction from the University of Surrey

Alex Bilyi (Research Analyst) is a member of the Analysys Mason’s research team in London. He holds a BEng in Chemical Engineering and an MSc in Engineering Business Management from the University of Bath, where he was part of the practice track team, researching and developing new XR products for an engineering and technology consultancy.

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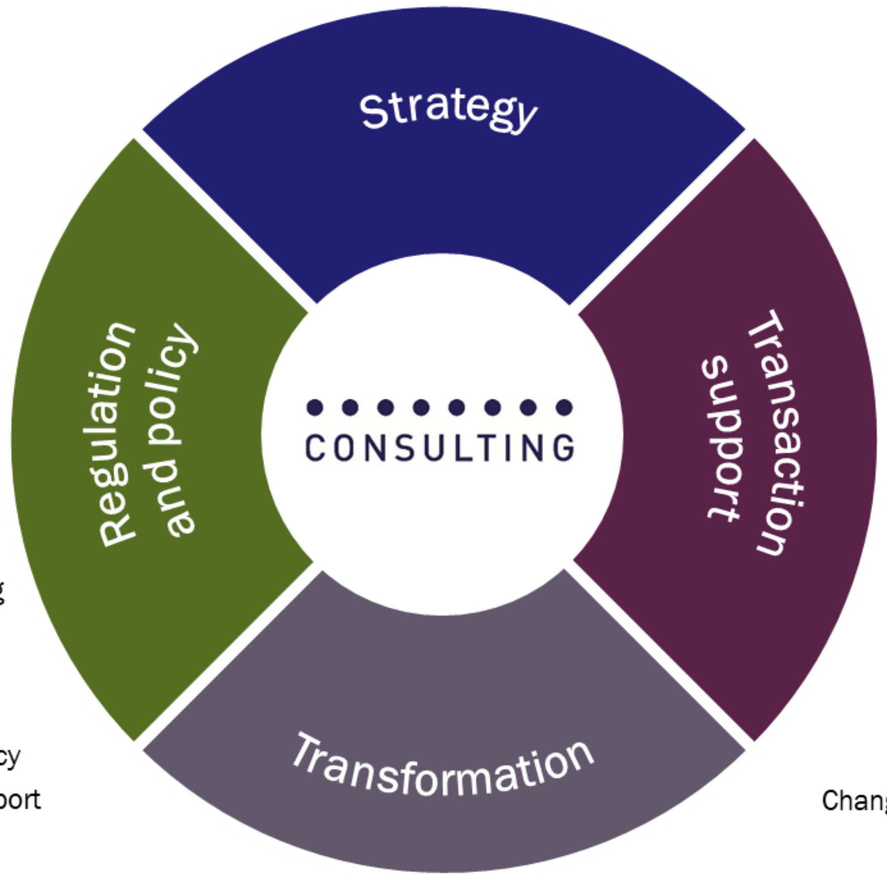

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