

A close-up photograph of a woman with curly hair, wearing a yellow tank top, looking down at a smartphone she is holding. The background is dark.

LAGOS APP STUDY

October 2019



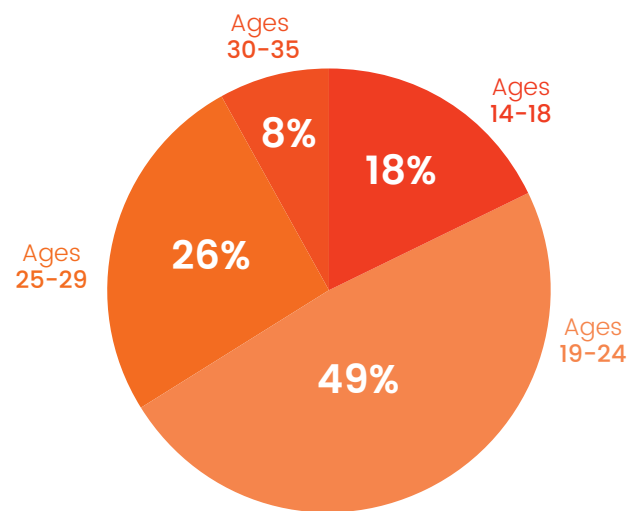
STUDY OVERVIEW

Nigeria is currently experiencing growth in consumer app usage driven primarily by the prevalence of more affordable smartphones from brands like Tecno and Infinix.

GSMA estimates that Nigeria had **53 million** smartphones as of September 2018, an adoption rate of **36%**. However, that figure is expected to **increase to 144 million smartphones by 2025, an adoption rate of 70%**.

The Orange Business Intelligence Technology (ORBIT) unit within Orange Group embarked on a small scale study to provide insights to the current penetration of apps within Lagos and assist businesses in understanding the consumer trends on smartphones. The team surveyed a total of 531 smart phone users below the age of 35 across various locations in Lagos. To ensure accuracy, the team also insisted that respondents show each app on their phones before recording the data.

Location	No. of respondents	Gender	
		Male	Female
University	150	65	85
Polytechnic	152	63	89
Balogun Market	97	52	45
Oshodi LGA	100	47	53
Manufacturing Firm	32	16	16
Total	531	243	288

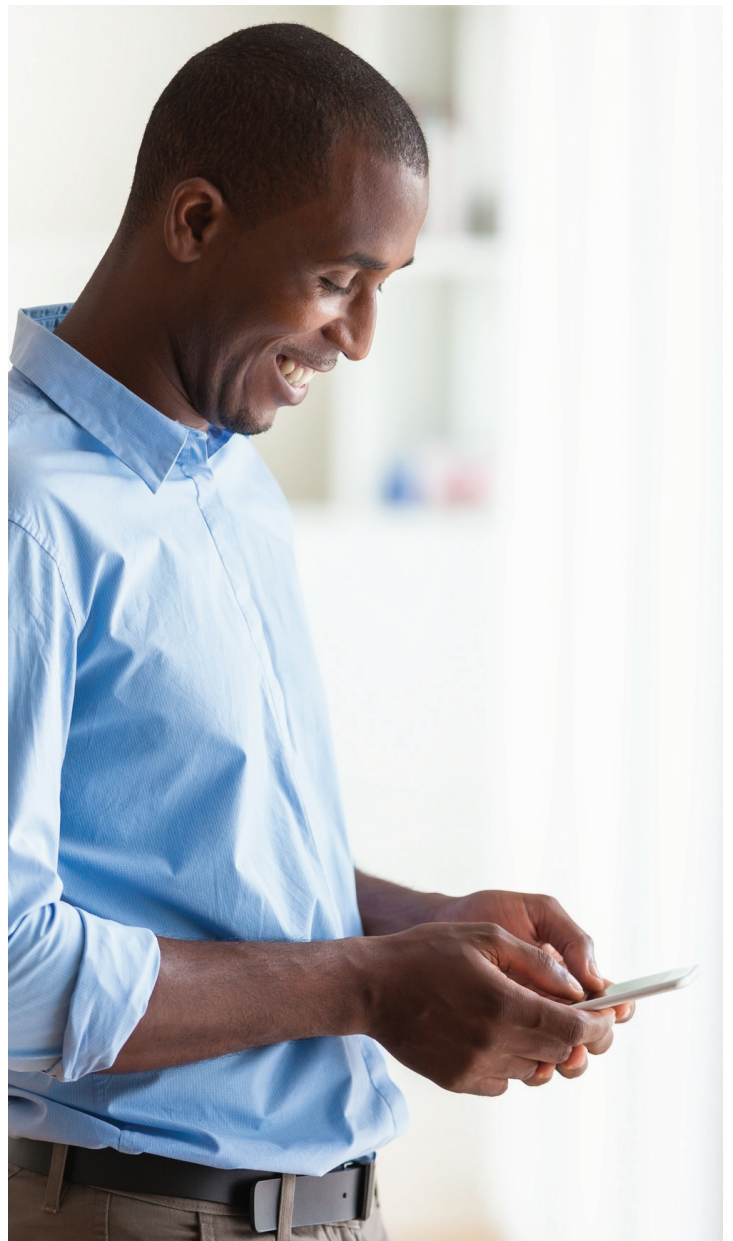


To streamline the the study, the team shortlisted 33 apps from an initial list of hundreds of apps from a preliminary study conducted on 200 respondents. These apps were subsequently classified as Global Apps (**15**) and Regional Apps (**18**). The findings in this report looks into the salience of these **33** apps to understand consumer preferences.

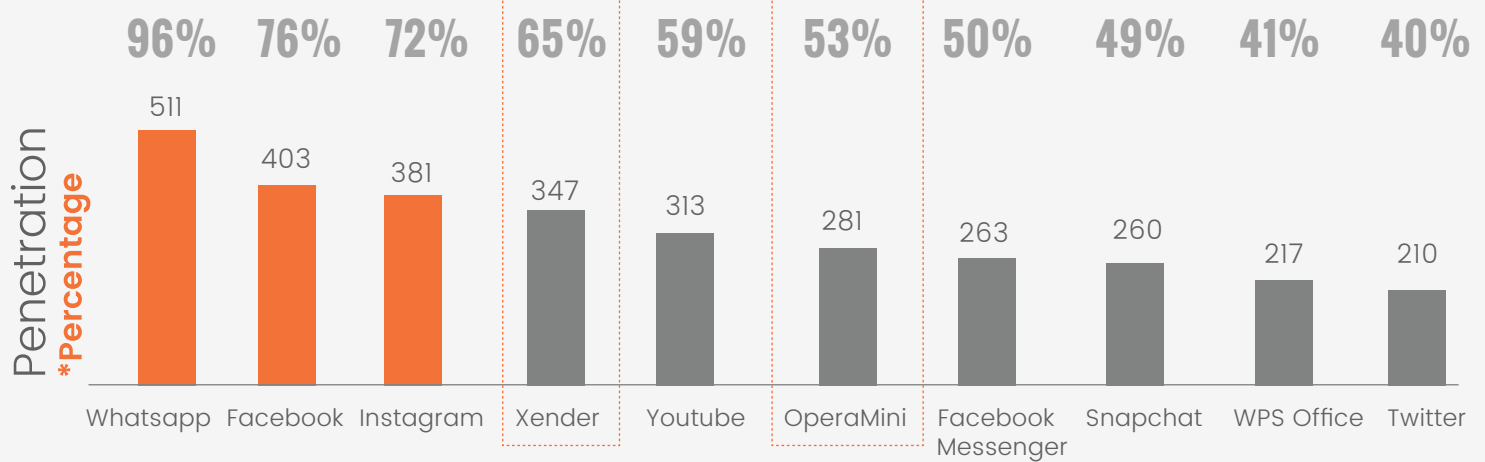


SHORTLISTED APPS

Global Apps	Regional Apps
Whatsapp	OPay
Instagram	Bolt
Facebook	Jumia
Twitter	News Naija
Snap Chat	Konga
Xender	Jiji ng
WPS Office	Iroko tv
Youtube	Hygeia
Linkedin	Boomplay
Facebook Messenger	Access
Telegram Messenger	UBA
Pinterest	GTB
Shazam	Zenith
Uber	Diamond Bank
OperaMini	PiggyVest
	Gokada
	Max
	Carbon



TOP GLOBAL APPS



FINDINGS

- +Whatsapp, Facebook and Instagram were most salient across all locations with penetration levels **above 70%**
- +As expected, we see that **social media and messaging apps** were highly popular amongst the respondents

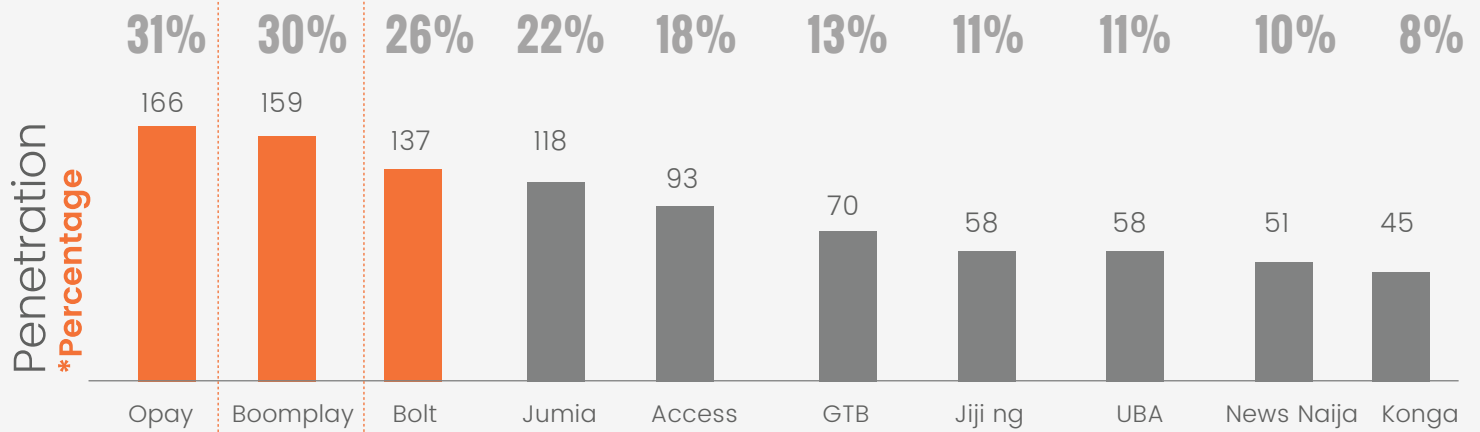
SPECIAL CALLOUTS

- + The high salience of Xender and Operamini was a surprise to the team
- + Xender: This is a file-sharing app that allows users to share large files and synchronize applications on their smartphones with other users offline; similar to Bluetooth. More importantly, this app enables users to significantly reduce their spend on data packages while obtaining and sharing content
- + Operamini: This is a web browser developed by Opera Software AS, a Chinese owned tech firm established in Norway. The browser is able to significantly reduce the data size of each website to enable the page to load even with low network strength. This enables users to not only load pages at a much faster speed compared to other browsers, but also conserve their data spend

*Note: Penetration percentages based on total of 531 people surveyed



TOP REGIONAL APPS



FINDINGS

- + OPay, Boomplay and Bolt (formerly Taxify) showed high salience amongst respondents
- + It is important to note that two of the top three regional apps, OPay and Bolt, are ride-hailing apps

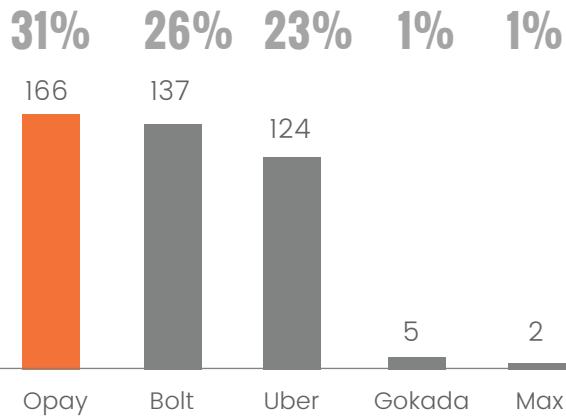
SPECIAL CALLOUTS

- + Boomplay: This is a music streaming and download app owned by Tecno Mobile, a Chinese tech company. Boomplay gained popularity with its focus on Afrobeats music as well its fast streaming service, instant, and real-time Entertainment notifications. The app also allows users to follow their favorite artists and receive updates on new singles

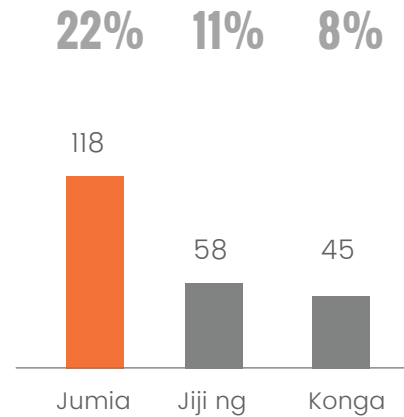


RIDE HAILING & E-COMMERCE

RIDE HAILING APPS



E-COMMERCE APPS



FINDINGS

+ OperaPay, also known as OPay, dominates both the regional and ride-hailing app downloads. It was developed by Chinese-owned Opera Software AS; which also owns OperaMini, the popular web browser with **53% penetration** in Lagos

+ Although Opay is technically a mobile payment app, it gained popularity through its motorcycle ride hailing service, ORide, that once offered users rides to any part of Lagos for only N200 (\$0.55), and in Ibadan for N50 (\$0.15). The super app has since expanded to offering bus ticketing (OBus) and food delivery (OFood).

+ Bolt and Uber are dominant car hailing apps in Nigeria, however Bolt leads Uber in our research. Formerly Taxify, Bolt was launched after extensive consumer feedback. Bolt currently offers a referral program and better rates compared to Uber

+ Gokada and Max are both motorcycle ride-hailing apps that compete directly with OPay's ORide service

FINDINGS

+ Jumia leads the ecommerce app downloads. Jumia was established in 2012 in Nigeria, and is owned by Rocket Internet, a German tech company. It has subsequently expanded across Africa into countries like Egypt, Morocco, Ivory Coast, Kenya, etc. It has also expanded into other services such as Jumia Travel, Jumia Food, and Jumia Pay. Its Africa operations recently went public in April 2019 on the New York Stock Exchange with a market cap of \$2 billion

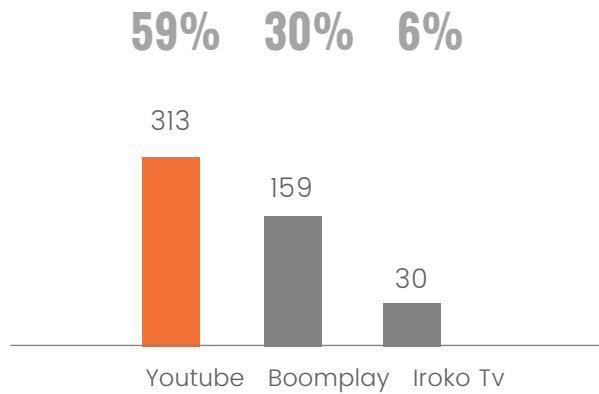
+ Jiji.Ng, is an online market place and classifieds platform. It was founded in 2014 and is owned by Genesis Technology Partners from Ukraine

+ Konga is another ecommerce platform founded in 2012 and directly competes with Jumia. After its Series C in 2014, it was valued at \$200 million. However, given its intense price war with Jumia, it was subsequently sold in 2018 to Zinox Technologies, a Nigerian tech company.

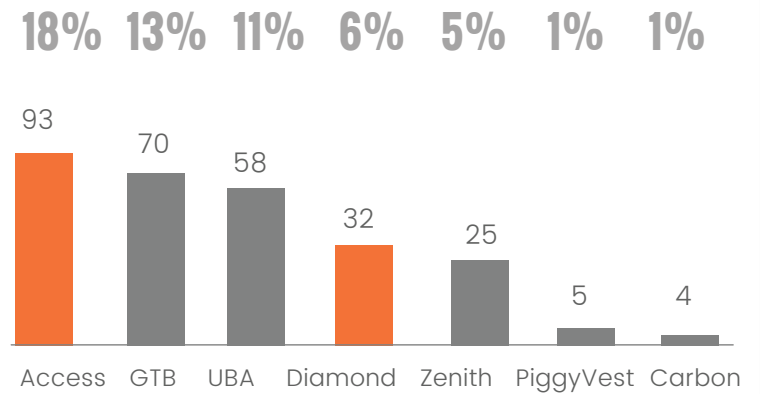


ENTERTAINMENT & FINTECH

NEWS & ENTERTAINMENT APPS



BANKING & FINTECH



FINDINGS

- + Youtube leads the Entertainment and News app downloads with 59% penetration. Its popularity is driven by its large span of content including several Nigerian online subscription channels
- + Boomplay leads the music streaming space as mentioned earlier
- + Iroko TV is a paid video streaming platform launched in 2010 by Nigerian entrepreneur Jason Njoku. It has one of the largest catalogs of Nollywood movies online. It was recently acquired by French TV company Canal in July 2019

FINDINGS

- + Access Bank dominates the Banking & Fintech app downloads. With its recent merger with Diamond Bank, the new entity became the largest bank in Nigeria by asset (\$18 bn) and customer accounts (31 mn), and will likely continue to dominate the banking app space moving forward
- + Piggyvest and Carbon were the only pure fintech apps shortlisted, each with 1% penetration



ABOUT ORBIT

The Orange Business Intelligence Technology (ORBIT) is a platform created in 2017 by Orange Group Nigeria to establish real-time outlet visibility of its brands. Since its inception, it has grown to become the Group's internal research platform as well as its operational control system.

Currently, ORBIT engages in the following three activities

1
Research



2
Retail Presence Tracking



3
Operational Controls



Orange Group Nigeria is a family-owned Fast Moving Consumer Goods (FMCG) group established in 1988, and headquartered in Lagos, Nigeria with operations across Nigeria and Ghana. Formerly established as Orange Drugs Ltd (ODL), it has grown from pure distribution to sales, marketing and manufacturing. The Group currently operates two factories in Nigeria.

The Group is focused on three categories

1
Pharmaceutical



2
Food & Beverage



3
Personal & Home Care

