

Cell C widens the virtual network

Cell C could add another mobile virtual network operator to its network early next year, CEO Jose dos Santos told Business Day.



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All such South African network operators piggyback on Cell C's network to offer mobile data and voice services. In recent months, mrpmobile, FNB Connect, me&you and SmartMobile entered the market. They joined Virgin Mobile SA, which entered the market about 10 years ago.

Mobile virtual network operators buy bulk minutes from cellphone network operators, which agree to partnerships with them to target market segments they cannot reach by themselves.

Taking a share of the market

Dos Santos said another could be launched next year, without providing further details. He said the performance of some on its network had been "impressive". "They are really doing well and are taking away market share from the big operators," he said.

He said the market did not have faith in Cell C's decision to open its network to the operators. He saw 25%-30% of Cell C's

revenues coming from mobile virtual network operators. Currently, they contributed between 5% and 10%.

Steve Bailey, MVN-X founder, expects mobile virtual network operators to take 10% of the market in SA by 2020, with revenue of R10bn per annum. MVN-X specialises in the management of mobile networks and is a middleman between the network providers and mobile virtual network operators by providing technology systems. MVN-X could launch another five in the next 12 months, Bailey said recently.

Last week, Cell C launched its Wi-Fi Call packages, offering customers an alternative in areas where there is network congestion or poor coverage of its traditional network.

Source: Business Day

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