

# MTN ANNIVERSARY

## New Vision

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MTN staff showing different services provided by the network at the Uganda Manufacturers Association Showgrounds at Lugogo, Kampala

By Billy Rwothungeyo

# How MTN revolutionised telephony in Uganda

**B**efore MTN Uganda came into the country, the telecom industry was only for an exclusive club of Ugandans.

The Government liberalised the telecommunications industry in the early 1990s.

In 1993, Celtel Uganda became the first privately-owned company licensed by the Government to provide telecom services in the country to compete against the then state-owned Uganda Posts and Telecommunications Corporation.

The company began operations in 1995, and served customers in the urban areas of central Uganda such as Kampala, Entebbe and Jinja using the Global System for Mobile Communications technology.

MTN Uganda was licensed in April 1998 as the country's second private player in the telecom business after winning a competitive international tender. MTN shortly began operations in October, and what has happened since then is revolutionary.

"As early as 1999, Uganda became the first country on the continent where the number of mobile subscribers surpassed the number of fixed-line users, and the ratio is now more than 18:1. The market is consistently growing at around 50%, while market penetration is still low at less than 9%," says [www.internetworldstats.com](http://www.internetworldstats.com).

Starting off by offering mobile, fixed-line, payphone and data services, MTN employed a better strategy than its competitors, powering through to the top of the market, a position the company still holds today.

"Before MTN came to Uganda,



MTN mobile money agents provide money transfer services

owning a mobile phone was a preserve of a select few. When MTN came to Uganda, only then did a mobile phone start being something that many people could buy," says a client who has been an MTN subscriber since 2000.

"Only with MTN was it possible, for many parts of the country, to get telecom coverage."

Unlike its competitors that concentrated mainly in urban

centres around central Uganda, MTN spread her wings to all corners of the country, on the back of a reliable network. It is also with the MTN that prices started coming down.

### Innovation

In a competitive sector such as the telecom industry, how has MTN Uganda stayed at the top? One thing that has continued to set

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MTN Uganda apart from all the competitors is innovation.

### Mobile money

In 2009, MTN Uganda became the first telecom company to introduce mobile money services to Ugandans.

The mobile money service, which was initially only used for sending and receiving money, has gone on to be a key driver of financial inclusion that many had ever fathomed when it was launched.

Beyond sending and receiving money, one can now pay bills, school fees and buy airtime, among others. About 19.6 million customers were using the mobile money service at the end of June 2016 according to figures from the Bank of Uganda.

### Improving quality

In 2013, MTN Uganda embarked on improving the quality of its signals throughout the country by launching a 4G LTE network. This was to complement the hundreds of existing 3G and 2G spots littered across the country. With the improvement of the network, customers have enjoyed better Internet speed and dropped calls have become something of the past.

MTN Uganda has the longest installation of fibre optic cables than any other telecom company, with over 5,000 kms of fibre optic cable spread across Uganda.

As MTN marks 19 years of doing business in Uganda, the telecom giant has been the most integral player in the growth of the telecom sector.