



*submitted to*

**Nigerian Communication  
Commission**

**FINAL REPORT**

*on*

**Expanded National Demand Study  
for the Universal Access Project**

*Part 2: Businesses and Institutions survey*

16 Dec 2005

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## **1 INTRODUCTION**

Intelecon Research & Consultancy Ltd is pleased to provide herewith the Part 2 of the Draft Report on the Expanded National Demand Study for the Universal Access Project. The first Part contained an overview of the field study, its key design elements and its execution, the questionnaire return and the key findings for the household interviews.

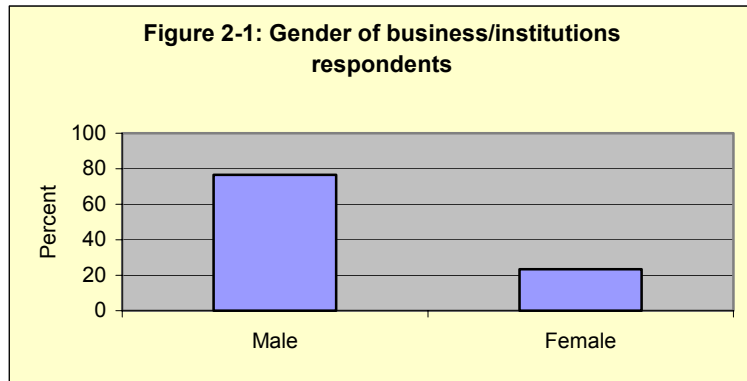
This Part 2 summarises and analyses the findings for the business/ institutions questionnaires.

## 2 KEY FINDINGS FOR BUSINESS/INSTITUTIONS INTERVIEWS

### 2.1 OVERVIEW/ HIGHLIGHTS OF RESPONDENT PROFILE

#### 2.1.1 Gender

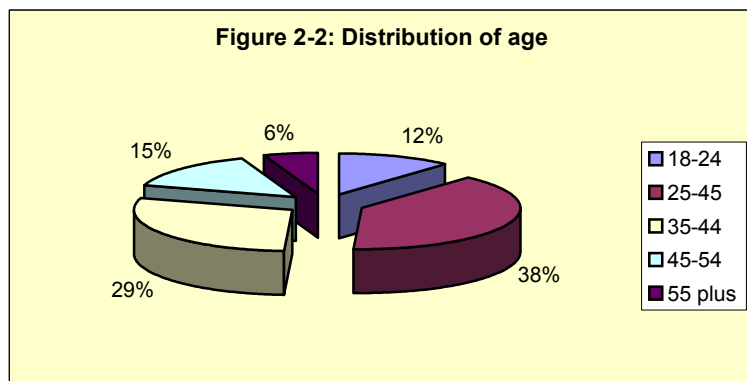
77% of all business/institution respondents are male and 23% are female, as shown by Figure 2-1 below. This trend is even more pronounced in the three northern regions, as illustrated by Table 1. In the North, the percentage of male respondents ranges from 82% to 92% (North West). The difference between the North and South is possibly due in part to the wider spread of the Islamic faith and cultural values, which result in women respondents being less accessible to researchers than men.



Region	Male	Female
South South	69%	31%
South East	64%	36%
South West	66%	34%
North Central	82%	18%
North East	88%	12%
North West	92%	8%

#### 2.1.2 Age

Figure 2-2 shows the age distribution among business/institution respondents. As one would expect, the two largest groups are between 25 to 44 years. There are few variations in age among regions, or between urban, semi-urban and rural locations, and none appear



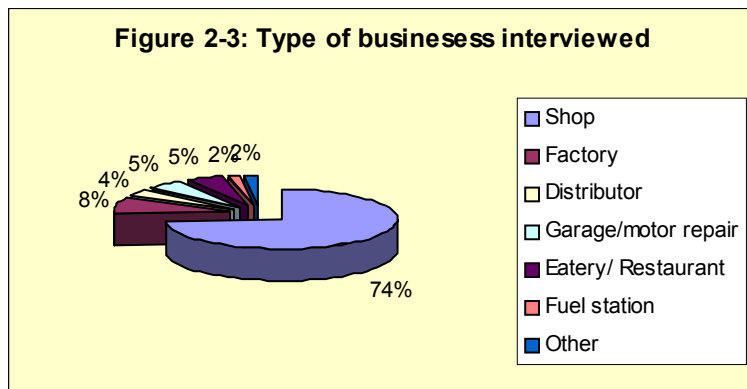
significant. It is worth mentioning that in the South South and the South East regions, 17% of interviewed respondents were youth between the ages of 18-24 years, which was slightly higher than the figures of between 6% and 10% in the other regions.

### 2.1.3 Type of business/institutions

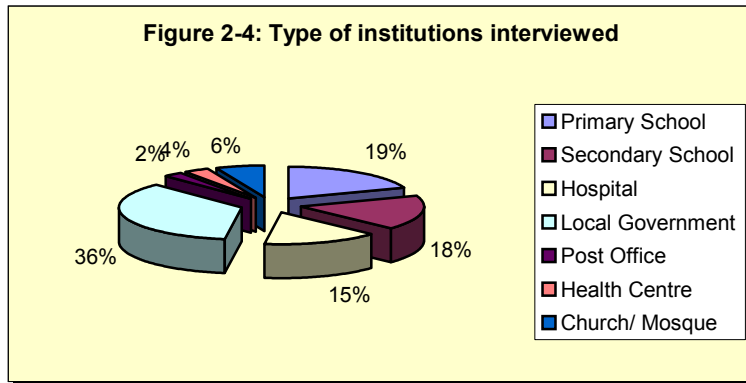
Table 2 below shows the type of businesses and institutions which have been sampled, first the actual numbers of business/institutions, then the percentage within the sample. Overall, 87% of the respondents were businesses while 13% were public institutions.

	Actual figures	Percent
<b>Business</b>		
Shop	1416	64.7
Factory	156	7.1
Distributor	69	3.2
Garage/car & motor repair	101	4.6
Eatery	51	2.3
Restaurant	43	2.0
Guest house	15	0.7
Bank	20	0.9
Fuel station	35	1.6
<i>Sub-Total</i>	<b>1906</b>	<b>87%</b>
<b>Institutions</b>		
Primary School	55	2.5
Secondary School	50	2.3
Hospital	43	2.0
Admin.centre/Local Government	101	4.6
Post Office	7	0.3
Health Centre	10	0.5
Church	14	0.6
Mosque	4	0.2
<i>Sub-Total</i>	<b>284</b>	<b>13%</b>
<b>Total</b>	<b>2190</b>	<b>100%</b>

Looking within these two individual groups, Figure 2-3 shows that the overwhelming majority of businesses interviewed are shops (74%). While shops usually make up the largest proportion of businesses in urban, semi-urban and rural settings, they are not necessarily businesses with a particularly strong need for telephone service. Those businesses more likely to have such demand would include banks, some factories, distributors and fuel stations, etc.

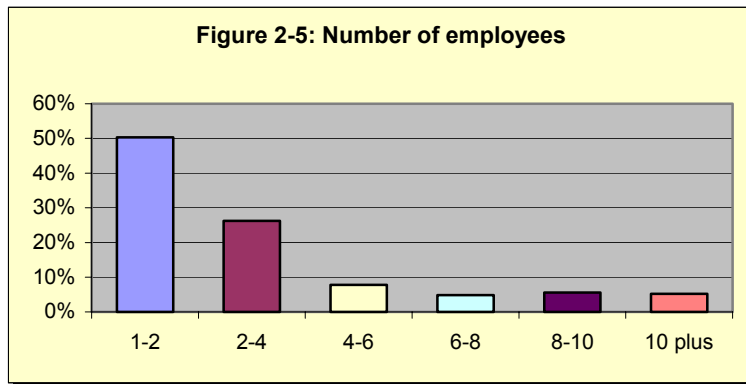


Within the institutions, there is a strong representation from each type of public institution. Local government accounts for the largest public institution interviewed, representing 36% of all respondents. Primary school representatives accounted for 19% of institutions that were interviewed, secondary schools were 18%. The combination of hospitals and health centres accounted for 19%. 6% of respondents were from religious institutions.



**2.1.4 Number of employees and staff**

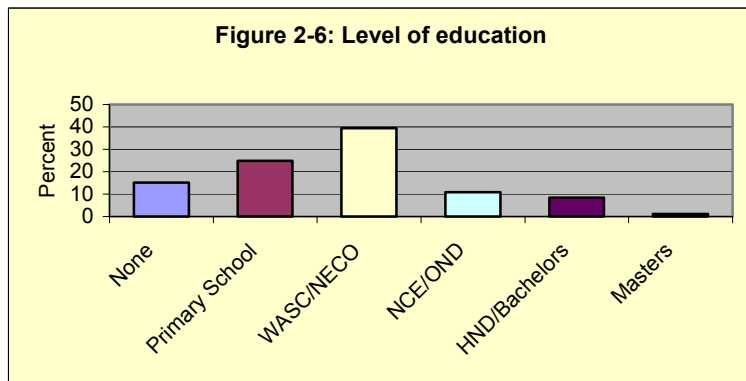
As Figure 2-5 shows, overall the businesses and institutions are fairly small, 50% only have 1-2 staff. 76% have no more than 4 employees. Only 5% of the interviewed entities have more than 10 staff. There are minor differences among regions but we do not consider them relevant.



Between urban, semi-urban and rural locations the data shows what one would expect, that semi-urban and in particular rural businesses have in general less employees.

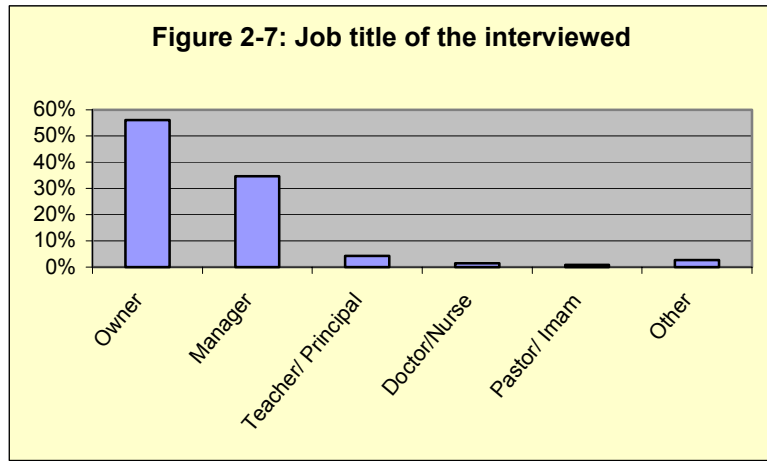
**2.1.5 Level of education**

Figure 2-6 shows the level of education among business/institution respondents. The majority of respondents reportedly have attained a basic to medium level of education: 25% have completed primary school and 40% have completed WASC/NECO education.



**2.1.6 Who in the organisation was interviewed**

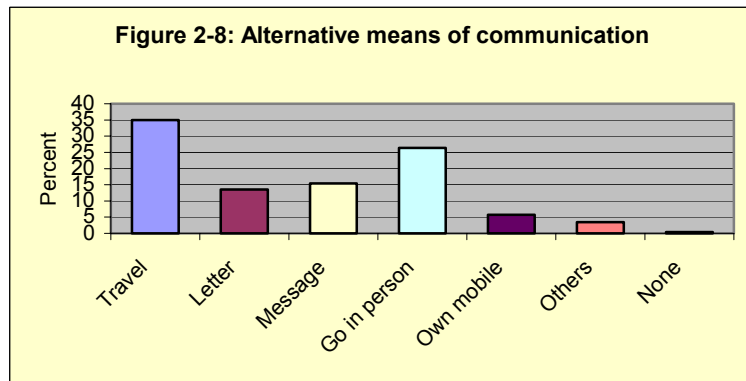
As can be seen in Figure 2-7, an overwhelming 91% of respondents were either the owner of the business/institutions or the manager. The percentage of owners interviewed vs managers increases from urban to rural locations, which makes sense as businesses are smaller and thus have fewer managers.



**2.2 CURRENT ALTERNATIVE COMMUNICATIONS AND ASSOCIATED COSTS**

**2.2.1 Alternative means of communication**

As Figure 2-8 shows, 35% of business/ institution respondents travel to another town to make a phone call. This is actually 1% less than the household respondents. 26% of business/ institutions respondents reported going in person (possibly by car) to take care of their communication needs, which was slightly higher than those



household respondents who reported the same(21%). 29% reported that they either send letters or a messenger, or a combination of both; this figures was slightly less than that reported by household respondents (33%). While 6% of business/institutions respondents stated that they already posses a mobile phone and travel to the closest coverage area and make their phone call, less than 1% of household respondents reported the same.

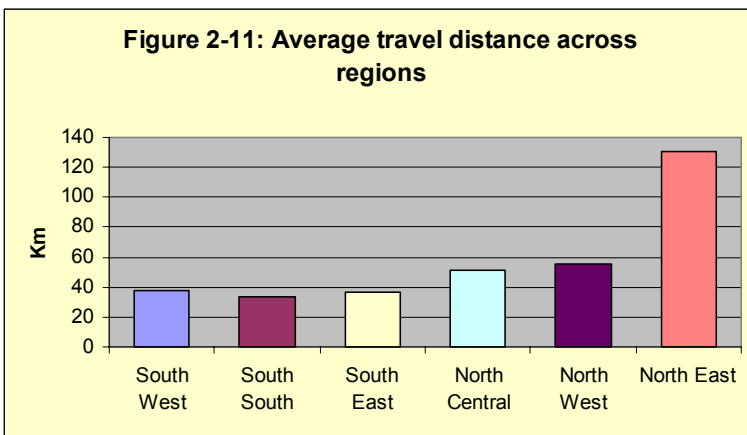
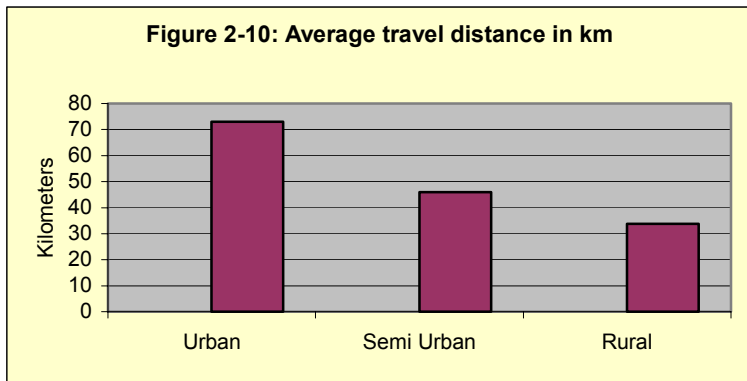
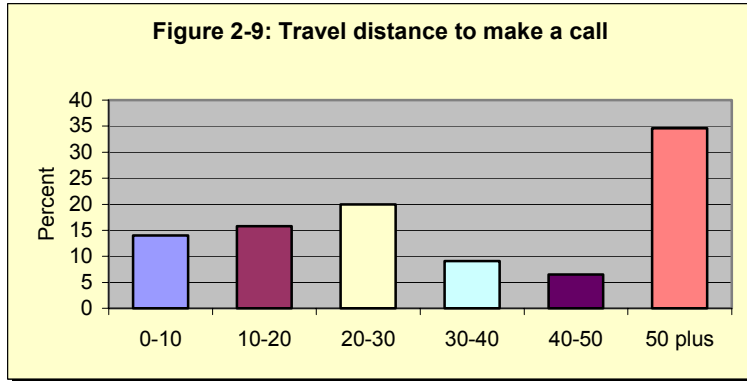
**2.2.2 Return travel distance to make a phone call**

On average, the 35% business/institution respondents state that the distance for their return travel to make a phone call is 53 km. This is in line with household respondents who stated that they travel an average of 51 km. As Figure 2-9 shows, the majority (35%) report traveling more than 50 km to make a call. This is similar to the figures reported by household respondents, 32%



of whom stated that their travel was more than 50 km. 30% of business/ institution respondents reportedly travel up to 20 km. In comparing urban, semi-urban and rural respondents in Figure 2-10, the findings are similar to those reported for the household survey: urban respondents reportedly travel longer distances than those in semi-urban and rural areas.<sup>1</sup>

Figure 2-11 compares the travel distance across regions. The North East stands out with the longest travel distance of 130 km. This is followed by the North West with 56 km and the North Central with 51. All three Southern regions have a much lower travel distance, ranging only from 34 to 38 kilometres.



<sup>1</sup> Reasons for this result, which is counter-intuitive, are discussed in the Household part of the Draft demand report, in Section 4.2.2.

### 2.2.3 Location and type of phone used when travelling to another town

86% of business/institution respondents who travel to another town to make a call stated that they do so at a phone kiosk or business centre. 8% stated they use a shop that has also a phone; approximately 4% stated they use a public payphone booth; and 2% use the phone in a private residence or office.

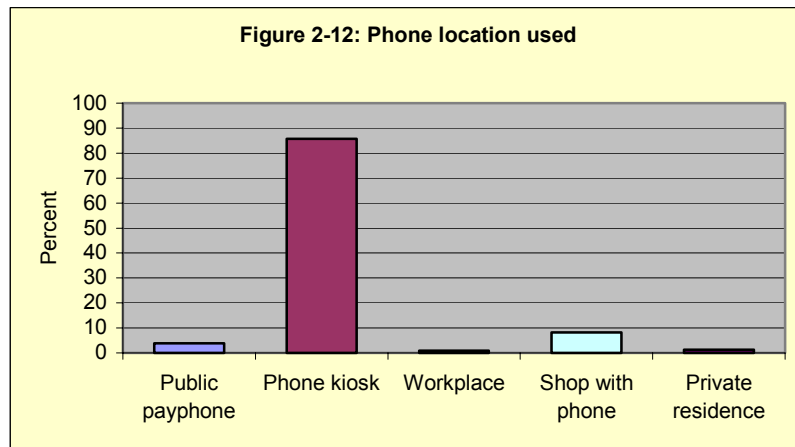
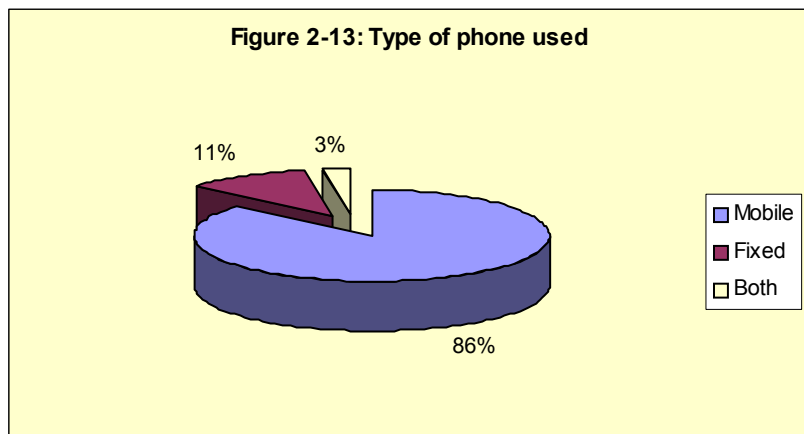
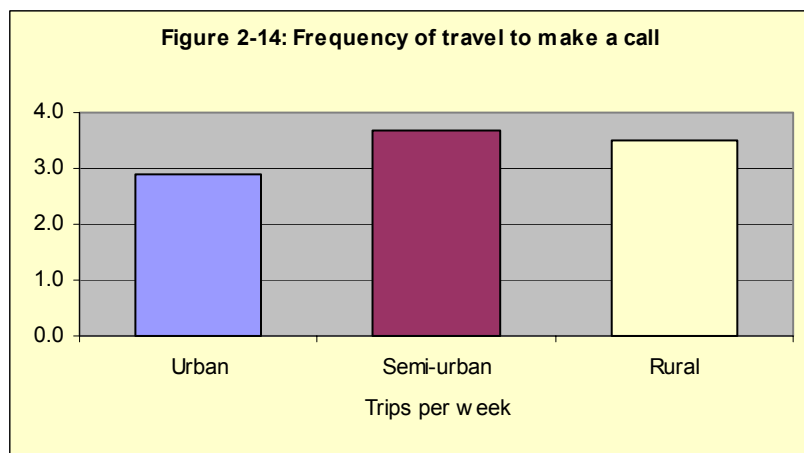


Figure 2-13 shows that respondents, when asked for the type of phone that they use at these locations, 86% said they used a mobile phone; 11% a fixed phone; and 3% use both.

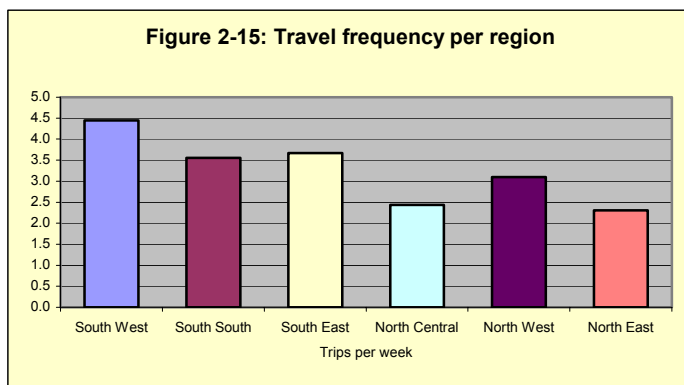


### 2.2.4 Frequency of travel to make a phone call

Interestingly, semi-urban and rural respondents reported making more frequent trips per week to make phone calls than urban respondents, as shown in Figure 2-14. Overall, 35% of respondents who stated that they do travel to make phone calls also reported that they make 3.3 trips per week.



Comparing regional travel frequency in Figure 2-13, respondents from the South-West make the most trips per week, slightly over four, followed by the South-East. In contrast, the North-East and the North-Central respondents travel the least, with slightly above two trips per week. It is important to note that in the North-East, in 10 out of 12 rural locations, all respondents stated that they do not travel at all to make phone calls. This was also a finding of the household questionnaire analysis, and a discussion of this is provided in that report in Section 4.2.2.



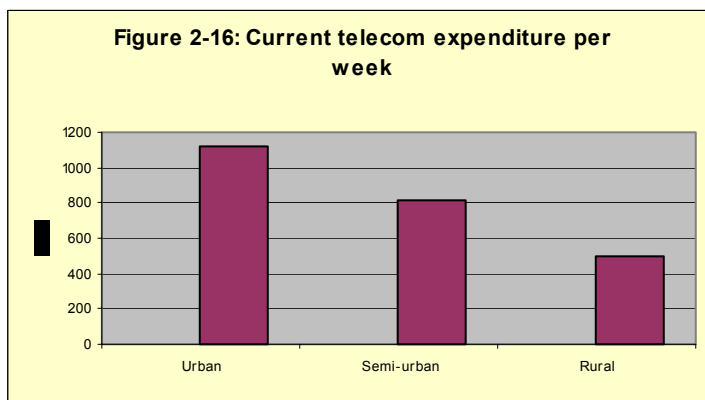
### 2.2.5 Type of phone calls

On average, 65% of business/ institutions respondents stated that they make the majority of their calls for business reasons. This tendency is more pronounced among urban respondents, where 73% stated that they make most calls for business reasons, compared to 54% among rural respondents, and 64% among semi-urban respondents. Regional comparisons show that the South-East is an exception to this trend: only 39% of those respondents stated that the majority of their calls were business related. The highest percentage of respondents making mostly business calls are in the North-East with 74%.

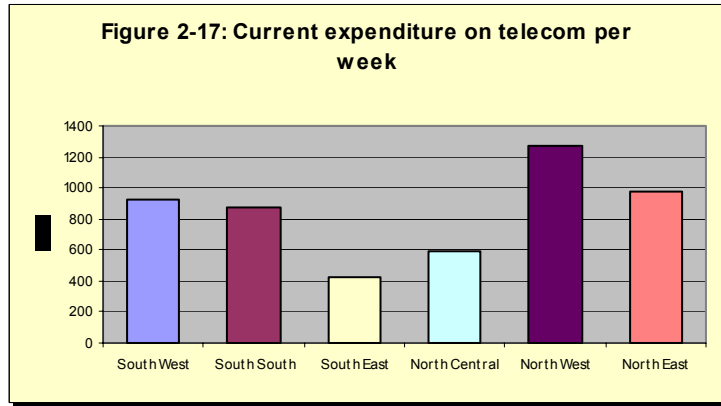
## 2.3 DEMAND – CURRENT AND FUTURE EXPENDITURE FOR PUBLIC PHONES

### 2.3.1 Reported telecom expenditure today

Among the 35% of business/ institutions respondents who reportedly travel to make phone calls, the average amount spent on telecommunications each week is 839 Naira (USD 6.20). However, looking at the telecom expenditure by location in Figure 2-16, there are noticeable differences between urban, semi-urban and rural respondents. While urban respondents spend, on average, over 1,100 Naira, rural respondents spend only around 45% of that, with approximately 500 Naira per week. Semi-urban respondents are in the middle, spending a little over 800 Naira per week (73% of what urban respondents spend).



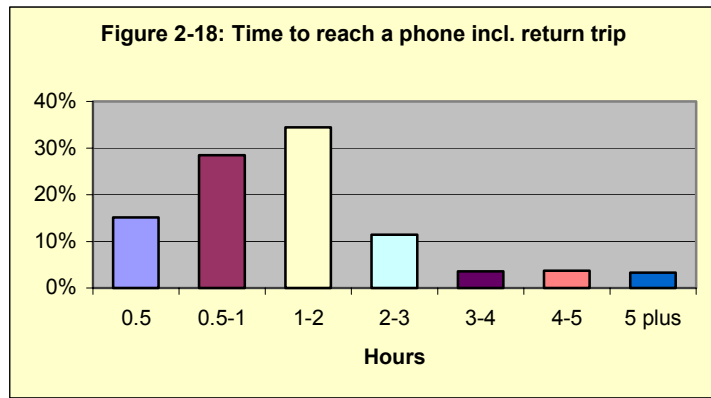
The North-West respondents state that they spend the most on phone calls, over 1,200 Naira (USD 9.45) per week. This is followed by the North-East with almost 1,000 Naira (USD 7.20).<sup>2</sup> The lowest spending regions in terms of making phone calls are the respondents from the South-East, who reported spending approximately 400 Naira (USD 3.15) per week, followed by the North-Central respondents, who spend almost 600 Naira (USD 4.30).



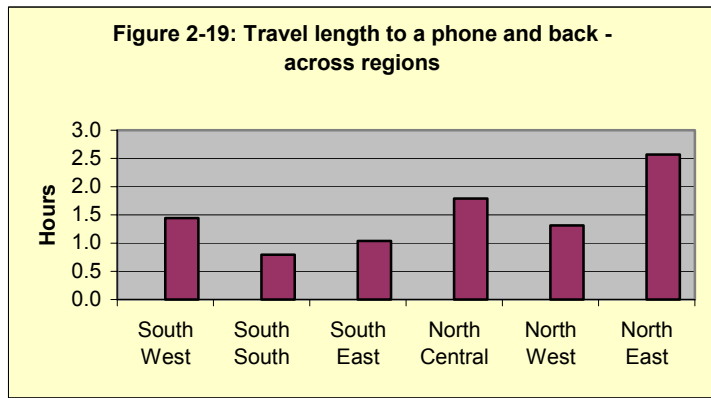
Compared to the household survey, the household respondents who stated they travel to make phone calls spend 80% (668 Naira) of what business/ institutions respondents on average spend (839 Naira). In other words, business/ institutions respondents spend a 26% increase over what household respondents spend.

**2.3.2 Time to reach a phone**

The average return travel time reported to make a call is 1.5 hours. Figure 2-18 shows the distribution of how much time respondents spend for return travel to make a phone call. The findings illustrate that 44% of respondents spend up to 1 hour for their return travel; 46% spend between 1 and 3 hours; and 11% spend more than 3 hours.



The regional comparisons presented in Figure 2-19 illustrate that at slightly over 2.5 hours, the North-East respondents reported the longest return travel times for making a call. However, in a total of 12 locations, none of the



<sup>2</sup> However, as stated before, in the North-East this is mostly based on urban and semi-urban respondents, and overall a smaller number, as 10 out of 12 rural locations did not have any travel activity at all.

respondents reported travelling at all to make phone calls. The second longest reported return travel times were in the North-Central region, where respondents averages of almost 2 hours. In the South-South, respondents stated their average return travel was less than one hour.

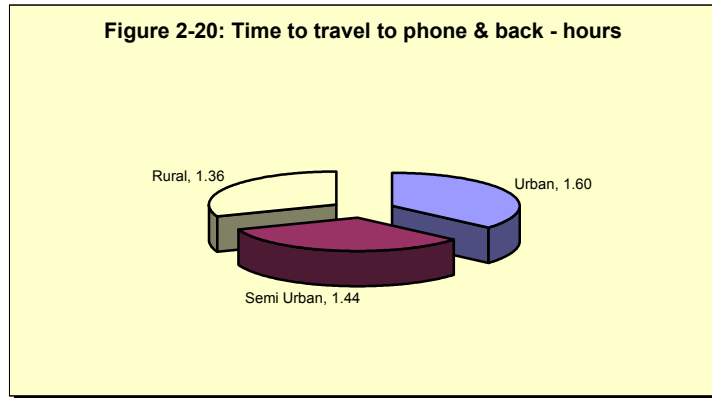
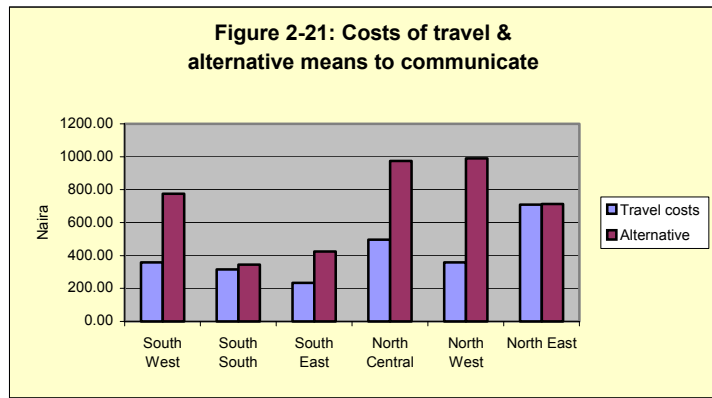


Figure 2-20 compares the results among urban, semi-urban and rural respondents, and illustrates that those from urban areas, at 1.6 hours, spend the most amount of time travelling to make a phone call. This is compared with 1.4 hours among semi-urban respondents and 1.3 hours of rural respondents. As discussed in the Household section of this report, this is a counterintuitive result, and potential explanations of this have been discussed previously. The explanation for this could also be a result of the route selection process used in the study: usually, the first priority of the researchers was to select an urban location without network coverage, which was often located far from other urban centres that had network coverage. The semi-urban and rural locations that were often selected were based along the route between the major urban centre with network and the urban location that was without. Thus, the result of having selected the locations in this manner sometime meant that the semi-urban and rural locations were often closer to the main urban centre with phone service than the urban locations with no network. This helps to explain how it is that urban respondents reported travelling longer, both in kilometres and time.

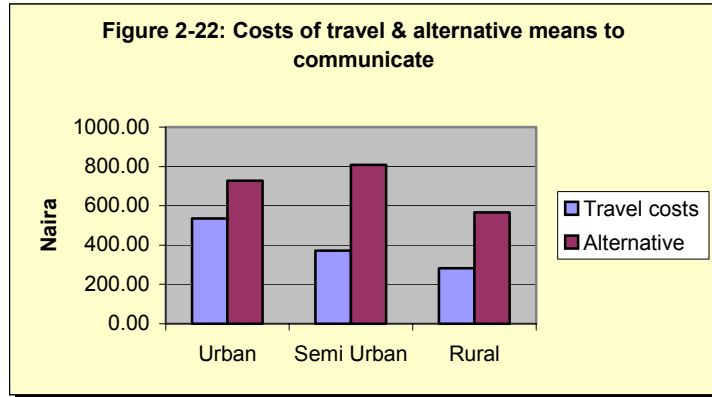
**2.3.3 Costs of travel to a phone & alternative means**

Those business/ institution respondents who indicated that they travel to make a phone call spend, on average, 407 Naira (USD 3.00) for each trip. This amount is only slightly above the 383 Naira reported by household respondents. Interestingly, respondents who stated they used other

means to communicate (e.g. sending a letter, using a messenger etc.) spend even more to do so: an average of 697 Naira (USD 5.16). Figure 2-21 shows travel costs and costs of alternative means of communication in comparison across the regions. Alternative means are especially high and above travel costs in the South-West, and North-Central and North-West.



In Figure 2-22, the costs of not having a public phone are shown across locality type. While urban respondents state they spend the most on travel costs to a phone, semi-urban respondents state they spend the most on alternative means of communication.



## 2.4 DEMAND FOR PRIVATE PHONE SERVICE AMONG BUSINESS/ INSTITUTIONS

Business/ institution respondents were asked whether they would use the public phone or whether they would want their own private phone, assuming that both these services would be available in their town or village. Overall, 87% of business/ institutions respondents stated they would want their own private phone for their business or institution, while 13% stated they would use the public phone.

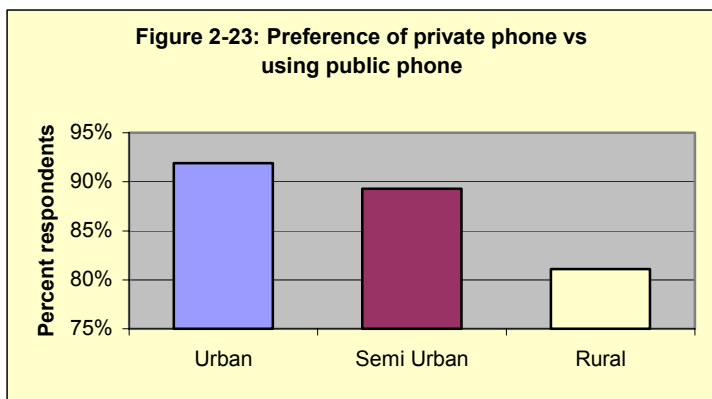
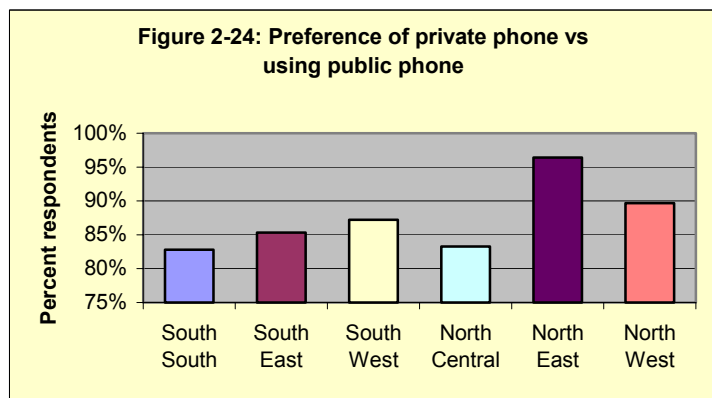


Figure 2-23 illustrates the differences in demand among location type, and, as expected,

the strongest demand for private phones is in urban areas with over 90% of business/ institutions respondents. However, demand is also high in rural areas, where over 80% of respondents indicated a preference for having private services.

Figure 2-24 shows the demand for private service across regions. The strongest demand comes from the North-East with 96%, the region least well-served, followed by the North-West with 90%. Slightly less demand can be seen in the South-South and North-Central with 83% each.

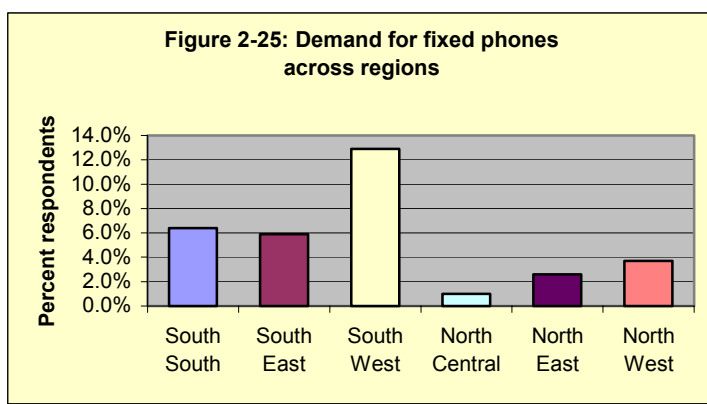


Cross-tabulation shows that 17% of female business/ institution respondents are willing to use the public phone, whereas 11% of male respondents reported the same. In terms of the relationship between demand and types of businesses or institutions surveyed, it is noticeable that between 20-22% of respondents representing health centres, churches, eateries and restaurants report a higher willingness to use public phones.

### 2.4.1 Private phones – mobile preference

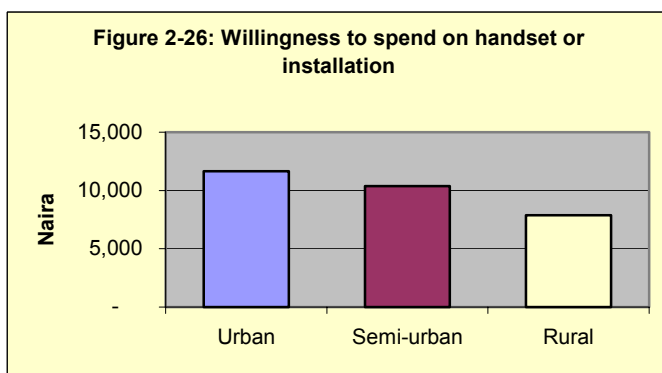
An overwhelming 95.5% of business/ institution respondents who reported demand for private phone services prefer a mobile phone rather than a fixed phone line. There are hardly any variations between urban, semi-urban and rural respondents.

Regional comparison of the respondents asking for fixed phones in Figure 2-25 shows that the South has some demand for fixed private phones, led by the South-West with 13%, while the Northern regions range only between 1 and 4%. Interestingly, the demand for fixed phones in the South-West is strongly fuelled by their rural locations, with 17%.

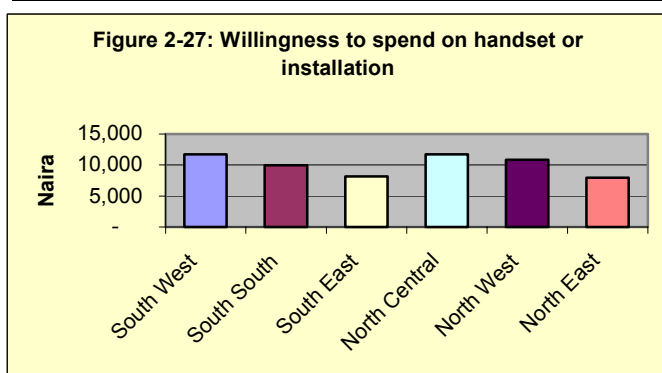


### 2.4.2 Willingness to pay for handset or installation

On average, those business/ institutions respondents who demand a private phone are willing to spend 10,066 Naira (USD 74.60). Figure 2-26 highlights differences among location type. Not unexpectedly, urban respondents are willing to spend the most, with 11,670 Naira (USD 86), followed closely by semi-urban respondents. Rural respondents are willing to spend 7,870 Naira (USD 58).



Overall, the regional comparison in Figure 2-27 shows that the differences among regions are not huge. In fact, the South-West and North-Central willingness to spend is identical with 11,700 Naira. The



lowest spending capacity can be found in the North-East and South-East regions, where respondents reported an ability to spend approximately 8,000 to 8,200 Naira.

### 2.4.3 Estimated monthly usage

Business/ institution respondents were also asked how much they estimate they would spend on usage if they had a private phone. On average, they estimated spending 2,570 Naira (USD 19) per month. Figure 2-28 illustrates the differences among location type. The difference between urban and rural business/ institutions respondents is quite pronounced: urban respondents estimate spending 3,230 Naira (USD 24), while rural respondents estimated 1,850 Naira (USD 13.7).

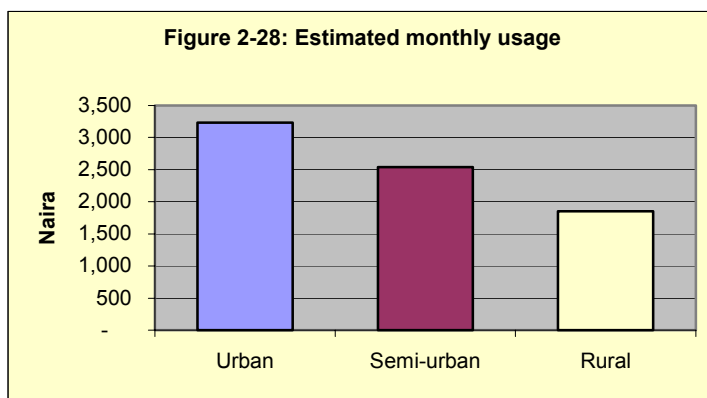
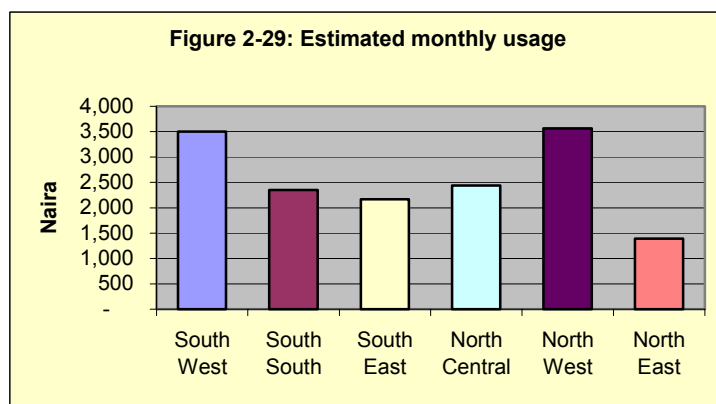


Figure 2-29 highlights the differences among the six regions in terms of estimated monthly usage by business/ institution respondents. The North-West region respondents expect to spend the most per month, as much as 3,560 Naira (USD 26), while those in the South-West region are slightly lower at 3,500 Naira (USD 26).



The two regions expecting to spend the least on monthly usage are those in the North-East, who reported an average of 1,390 Naira (USD 10), and those in the South-East, who estimated 2,166 Naira (USD 16).

### 2.4.4 Payment preferences

Respondents were asked which of the following two payment options they would prefer:

- Prepaid, or “pay as you go”: no fixed monthly subscription but slightly higher call tariffs; or
- Postpaid: fixed monthly subscription every month regardless of usage, but lower tariffs.

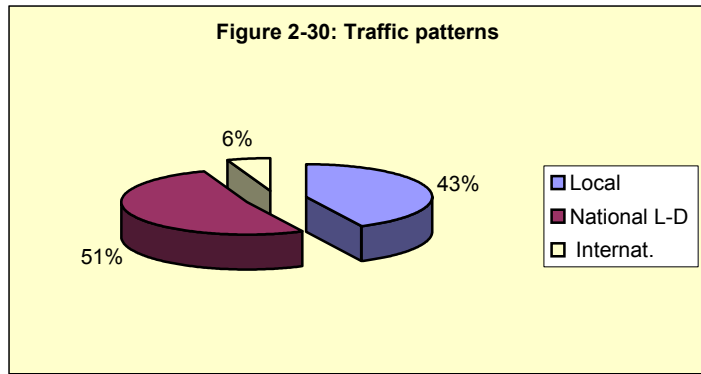
88.5% of the respondents who expressed an interest in having their own private service preferred the prepaid payment option, while 11.5% preferred to have post-paid service. There were no



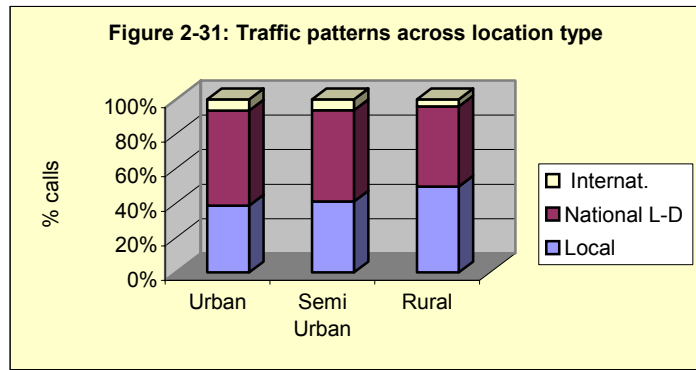
significant differences among urban, semi-urban and rural respondents. Regional comparison reveals that the Northern regions have a stronger preference for prepaid payment, between 94 and 98%. In the South-South the preference for prepaid is the lowest, but still strong, with 72%, while the South-West and –East are 86 and 85% respectively.

**2.4.5 Estimated traffic patterns**

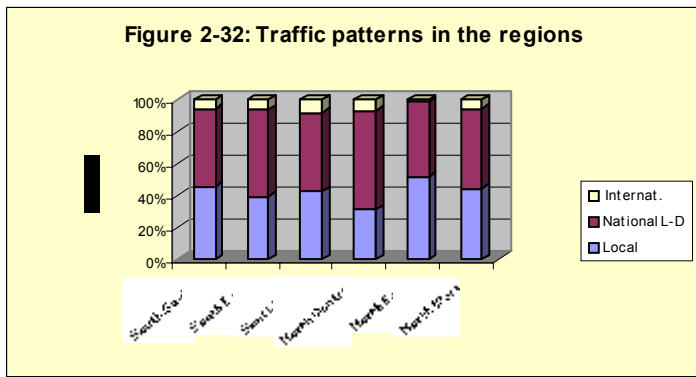
Those business/ institution respondents who indicated that they wanted their own phone were asked to estimate the destination distribution of calls that they would make in the future. Figure 2-30 shows the average distribution among all respondents, and reports that 51% of calls would be national long-distance calls, while 43% would be local calls within the state, and 6% would be international calls.



There are some differences among urban, semi-urban and rural respondents, as shown in Figure 2-31. Rural respondents estimate that they would make 10% more local calls than their urban counterparts; 9% less long-distance calls; and 2% less international calls.



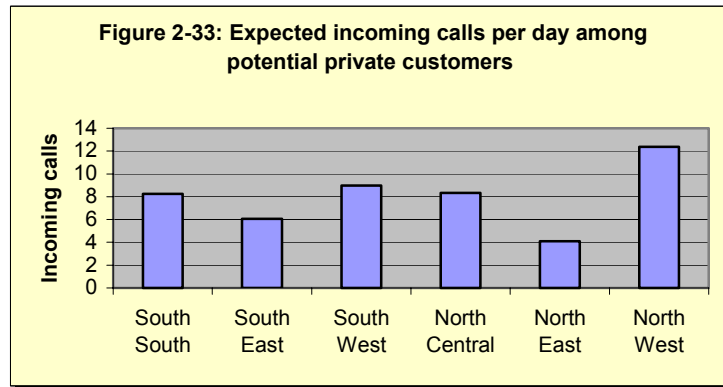
Overall, the general priority of national long-distance is the same among all regions, except in the North East where with 51% of respondents indicated a higher demand for local calls than for long-distance (46%). The highest percentage of those wanting to make long-distance calls, 62%, are from the North Central region. The highest international call demand is found in the South West, which totalled 8%.



### 2.4.6 Incoming traffic

Business/ institution respondents who reported an interest in private demand indicated that they would receive an average of 8 calls per day, which is very high. The distribution of responses ranged between 6 incoming calls expected from rural respondents, to 9 calls per day expected by urban respondents.

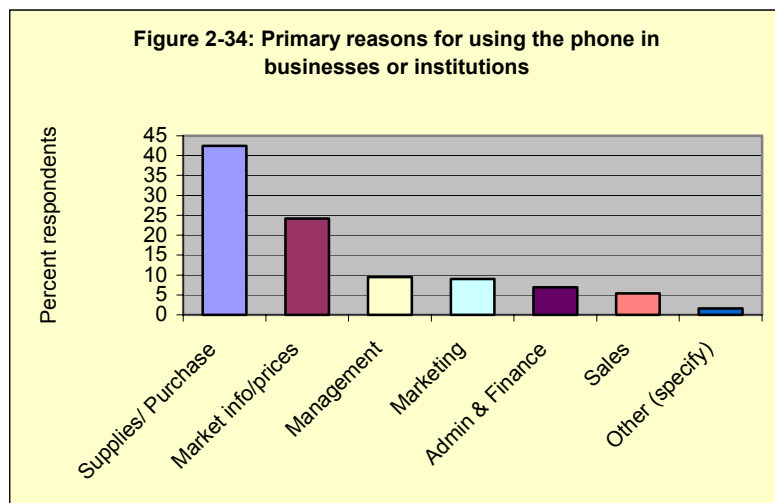
Figure 2-33 shows the variations of responses among regions. Expecting the most incoming calls among business/ institution respondents are those from the North West, with 12 incoming calls per day. The North East respondents reported that they would receive 4 calls per day, the lowest among all regions.



### 2.4.7 Main reasons for phone use

Business/ institution respondents who indicated an interest in having their own phone were asked to identify their primary reasons for wanting to use it. This was asked in order to determine which aspects of their business would either be most reliant on the phone or that would experience the largest impacts resulting from phone use. Options provided to the respondents included the following:

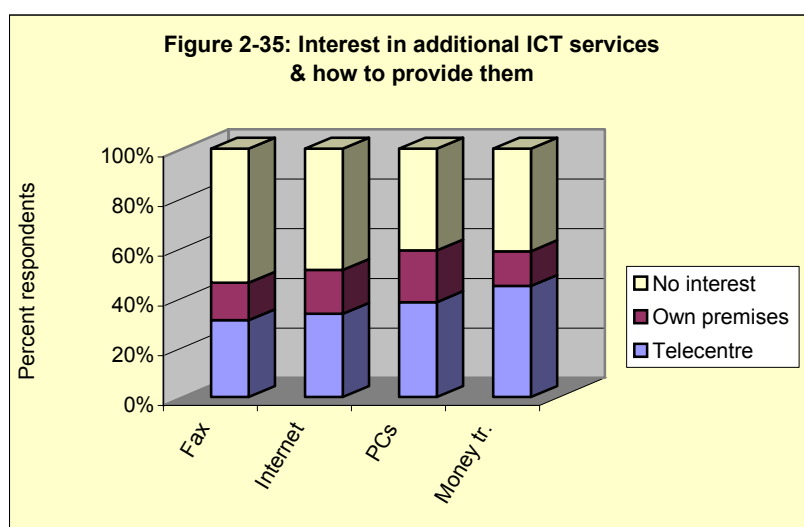
- Ordering supplies/purchasing;
- Marketing;
- Sales;
- Management (e.g. communications with head-office);
- Production;
- Administration and Finance;
- Get market information, prices; or
- Other.



Respondents' selections are illustrated in Figure 2-34. Ordering supplies and purchasing are the dominant reasons for using the phone for 42% of business/ institutions respondents, followed by 24% who identified the need to access market and price information. Those who cited Management and Marketing amounted to 10 and 9% respectively.<sup>3</sup> There are no significant differences among urban, semi-urban and rural respondents. Regional differences are stronger, but not in the overall order of priority of reasons, but more in terms of percentage of respondents who selected the options.

#### 2.4.8 Demand of additional ICT services and how to provide them

Respondents who indicated demand for private services were asked to identify their preferences for additional ICT services: Fax, Internet, Computers and Money transfer. The selection of multiple answers were permitted. In addition, they were asked to indicate whether they would prefer those services at a public telecentre or at their own premises. Figure 2-35 shows that respondents have the strongest interest in (ICT enabled) money transfer and PCs with each almost 60%. 45% of respondents would like to be able to have a public telecentre offering money transfer while 14% would like to be able to do it from their premises (e.g. through PC banking). 38% of respondents would like to have access to



computers in a telecentre while 21% would like to have their own computer at their premises. A total of 51% business/ institution respondents stated their interest in the Internet, with 34% wanting to have access to it at a telecentre while 18% indicated their interest in having Internet at their home. 46% of respondents were interested in fax service: 31% at a telecentre and 15% at their own premises. It must be stated that the respondents' ability to pay for the above services was not surveyed. However, the results do indicate a considerable appetite from the business/ institution sector for additional ICT services.

<sup>3</sup> The option Production was only selected by 1.1% of respondents and thus was eliminated from the Figure 2-32.

## 2.5 DEMAND FOR PUBLIC PHONE USAGE FROM BUSINESSES & INSTITUTIONS

### 2.5.1 Frequency of public phone use

Of the 13% of business/institution respondents who stated that they would use the public phone, the average number of times per week that they would use the public phone was 5.2. Figure 2-36 shows how urban, semi-urban and rural respondents differ in their expected frequency of public phone usage per week.

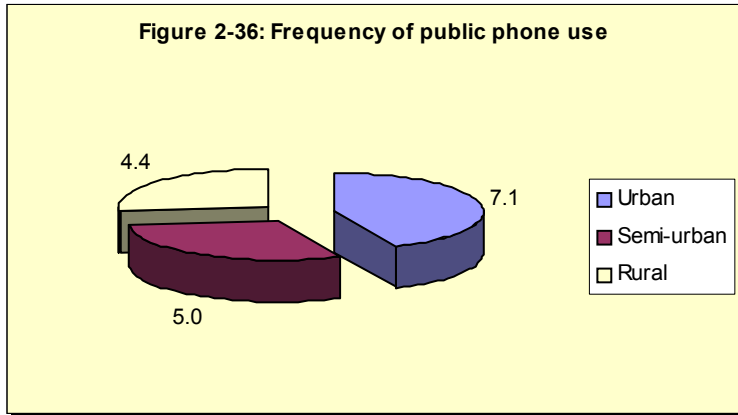
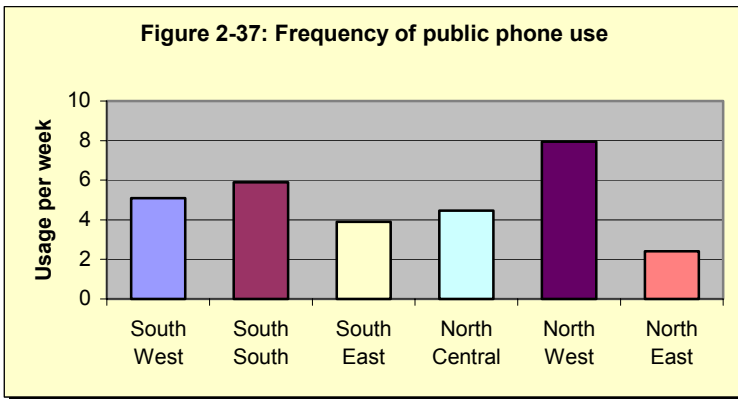
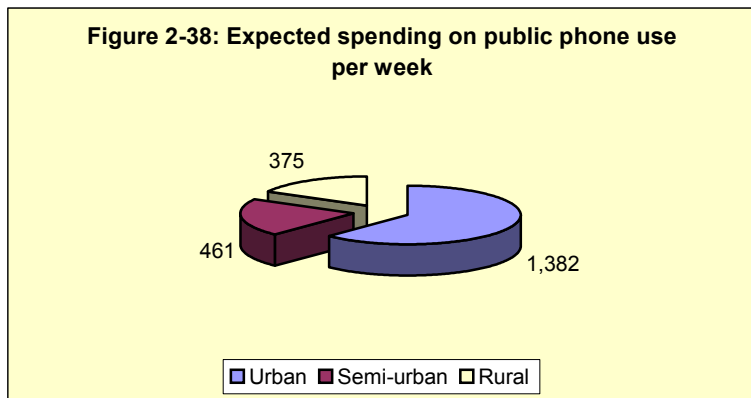


Figure 2-37 shows how the expected public phone usage varies across regions. The North-West expects the highest usage with almost 8 times per week, while the North-East only expects to use the public phone a little over twice a week. It has to be borne in mind that this is based on a fairly small set of data though (e.g. in the North-East, in 15 locations there was no data on this question because all respondents preferred private service).



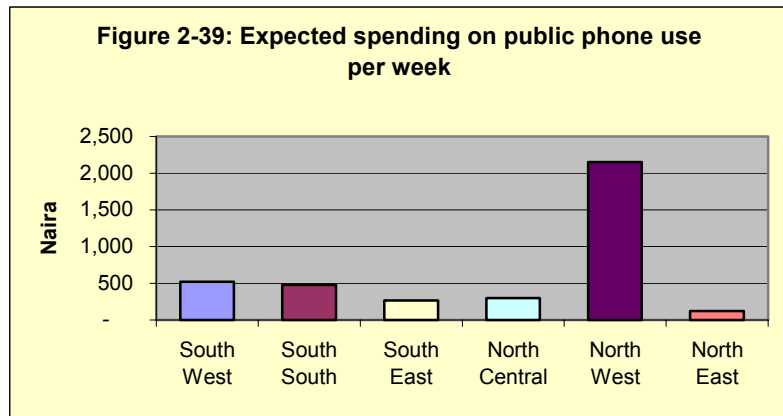
### 2.5.2 Expected spending on public phone use

On average, the 13% of business/institutions respondents who stated that they would use the public phone reported that they would spend 620 Naira (USD 5). Figure 2-38 gives an indication how skewed this spending is across location types. Both semi-urban and rural locations appear to



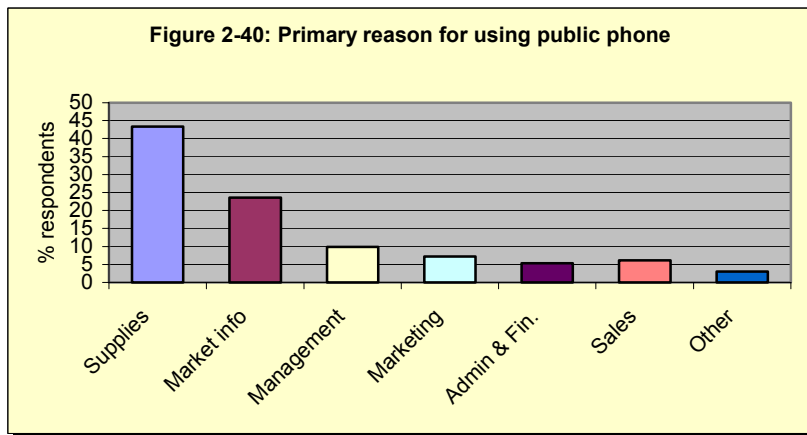
expect to spend less or around a third of what urban respondents state they would spend.

Comparing the regions in Figure 2-39, there seems to be strong differences between the North-West, where respondents state they would spend 2,150 Naira (USD 16), and the rest of the regions which are between 260 and 520 Naira (USD 1- 4). This strong variation is likely due to the smaller sample size where a few exceptions are able to skew the average.



**2.5.3 Main reasons for phone use from public phone users**

Business/ institutions respondents who stated they would use the public phone were asked for their primary reasons for using the phone. Respondents were given a choice of specific options in order to determine which aspects of their respective business or institution are either most reliant on phone access or on which aspect the phone use would have the biggest impact. Except a few percentage points, the primary reasons for using the public phone are identical with the reasons of respondents who stated demand for private phone service, as can be seen in Figure 2-40. The two main reasons are ordering supplies and market info: 43% stated that they would use the public phone for ordering supplies and other purchase related reasons, and 24% are using the phone to receive market information such as product prices etc.



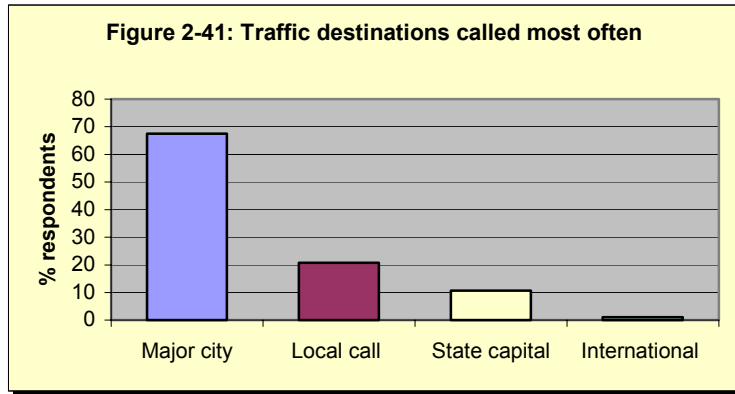
**2.5.4 Traffic destinations**

Respondents were asked to choose which one of the following localities they predicted that *most* of their outgoing calls would be made to, if they used a public phone in their village:

- Lagos, Abuja or other major city;

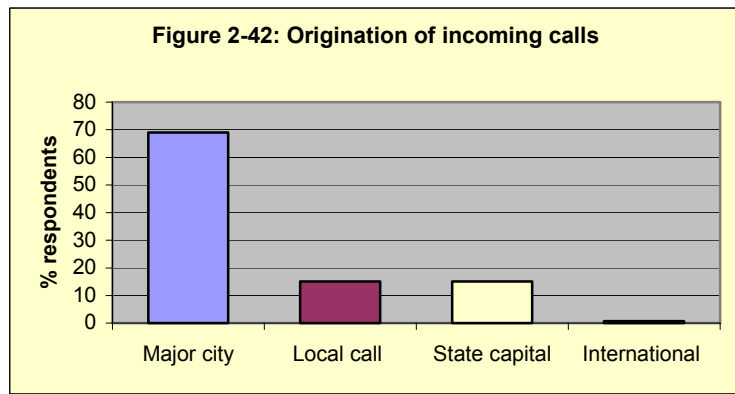
- State capital;
- Local call (within their state);
- International call.

Figure 2-41 shows that 68% of respondents stated that they would call most often the major cities; 21% said they would mostly make locals within the state (except the state capital); and 11% said they would make calls to their state capital. Just 1% of the respondents stated that most of their calls would be international. It is important to note that the sample of respondents for this question was small, with just 271 respondents.



### 2.5.5 Incoming calls and origination

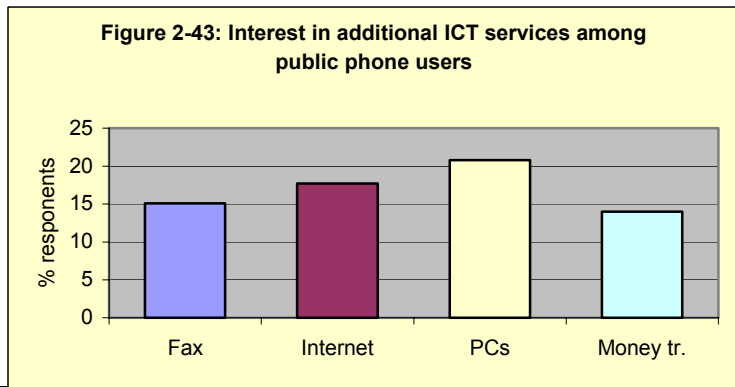
An overwhelming 98.5% of respondents stated that they would receive incoming calls. No differences were observed among urban, semi-urban and rural respondents, while the responses among the regions ranged between 90% to 100%. Figure 2-42 shows that the incoming calls origination is fairly similar to the outgoing call pattern.



Respondents reported that they would receive an average of 5 incoming calls per week at a public phone. The distribution of responses among localities included an average of 8 per week for those in urban areas, and 4 calls each for those in semi-urban and rural respondents.

### 2.5.6 Interest in additional ICT services

Figure 2-43 shows the interest in a few selected additional ICT services among public phone users. Most favoured are PCs, followed by the Internet, then fax and last money transfer.



## 2.6 PREFERENCES FOR PUBLIC PHONES

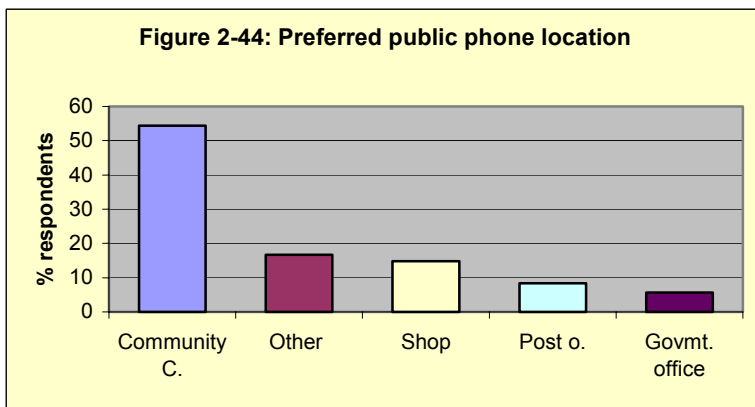
### 2.6.1 Phone shop vs stand-alone payphone

Among the 270 business/ institutions respondents who stated they would be happy to use the public phone, 58% stated they would prefer a phone shop while 42% preferred the stand-alone payphone.<sup>4</sup> This is interesting as the preference for the stand-alone payphone is 10% higher than among households respondents. This shows that business/ institutions see themselves more adept at handling the phone themselves, without assistance, and prefer the 24/7 availability of a stand-alone payphone.

Comparing urban, semi-urban and rural respondents in this small sample, rural respondents have a higher preference for a phone shop with 64%, compared with 58% of semi-urban and 46% of urban respondents.

### 2.6.2 Preferences for the location of a public phone

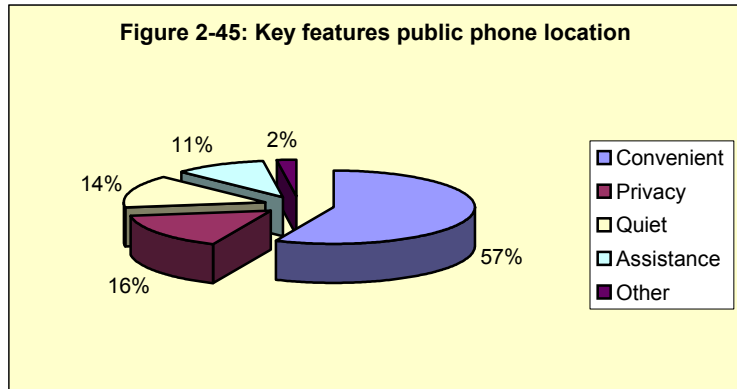
Similar to the household respondents, the majority of business/institution respondents selected the Community Centre as the best location for a public payphone (54%). While the term, Community Centre, was initially to be understood as a building, it is noted that many Nigerian locations do not have an actual community centre in their locality. Thus, many respondents understand this term to simply mean a place which is at the centre of the community, and thus easily accessible for all. This is followed by 17% who selected "Others"; from anecdotal evidence, this is often the market place. With 15% of respondents selecting this option, the shop is the third favoured option. The post or government office is less popular, with 8% and 6% respectively. The strongest preference for the community centre is among rural respondents, with 65%.



<sup>4</sup> For detailed explanations about this question, see Section 4.6.1 in the Household part of the Demand study report.

### 2.6.3 Important features of phone location

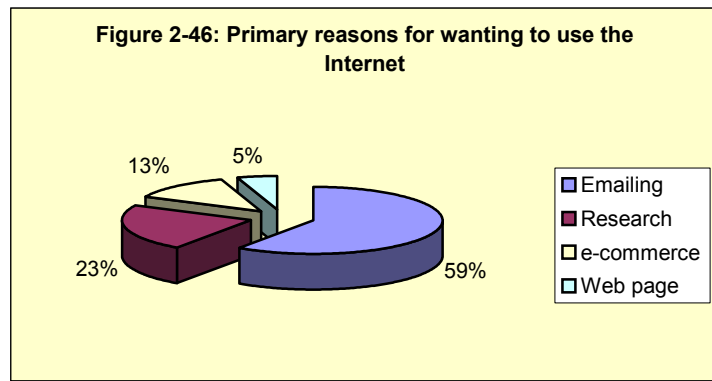
Figure 2-45 shows the preferences for the payphone features. They are in the same priority order as the household respondents preferences described in Section 4.6.3 of Part 1 of the Demand Study report.



## 2.7 INTERNET NEEDS OF BUSINESS/ INSTITUTIONS RESPONDENTS

### 2.7.1 Primary reasons for wanting to use the Internet

47% of business/ institutions respondents stated that they are interested in the Internet. Figure 2-46 depicts their primary reasons for wanting to use the Internet. As can be seen, 59% want the Internet to be able to use e-mail, followed by Internet research for 23% of respondents. While E-commerce and having



one's own web-page for marketing purpose are less prominent responses, their frequencies of 13% and 5%, respectively, are still indicators of sizeable demand. Interestingly, there is little difference between urban, semi-urban and rural business/ institutions respondents. There are some regional differences, as follows:

- Higher interest in e-mail in the North-Central (73%) and the North-East (88%);
- Higher interest in Internet research in the North-West (39%) and lower interest in e-mailing (37%); and
- Stronger interest in using the Internet for their own web-page in the South-East and South-West with 8% each.



### 2.7.2 Willingness to pay for Internet services

On average, respondents stated that they are willing to pay 1,800 Naira (USD 13) per month for Internet services. Figure 2-47 shows the differences among urban, semi-urban and rural respondents. Rural respondents are only willing to spend approximately half what urban respondents spend, with 1,191 Naira (USD 9) vs 2,278 Naira (USD 17). Semi-urban respondents state their willingness to spend 1,818 Naira (USD 13).

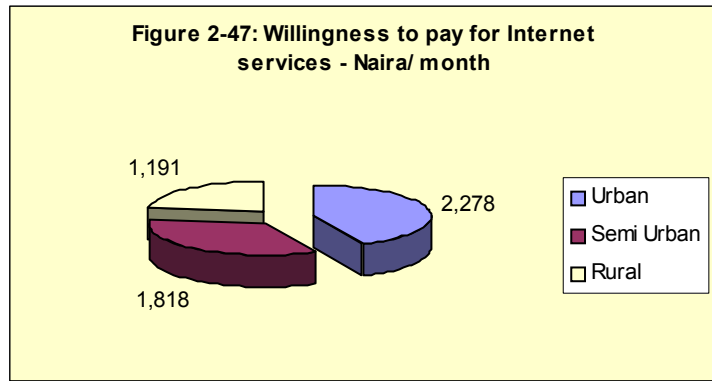
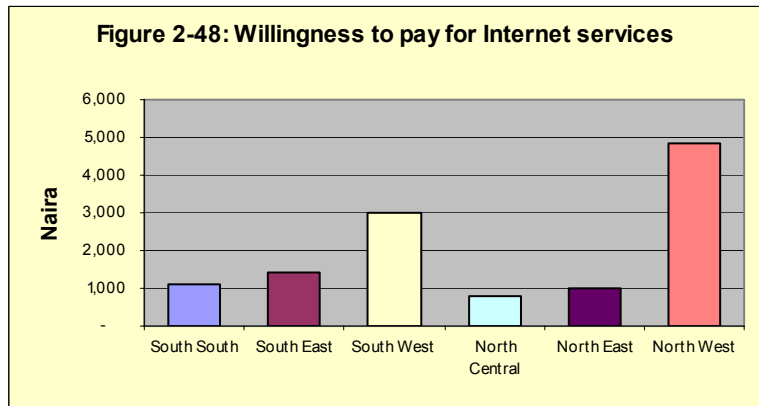
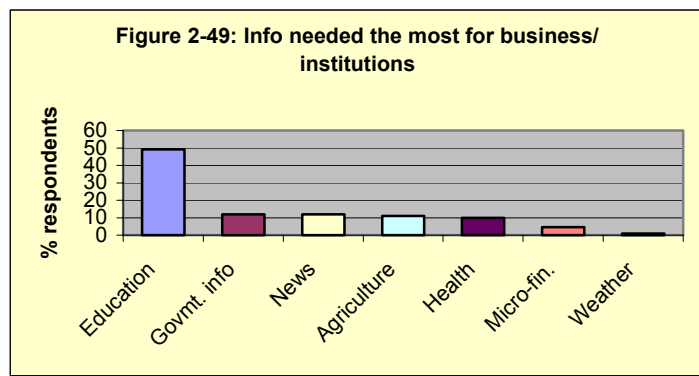


Figure 2-48 shows the willingness to pay for Internet services across regions. Respondents in the North West expressed that they would be willing to spend the most, with 4850 Naira (USD 36). This is followed by respondents in the South-West with 3,000 Naira (USD 22). Stating to spend the least are respondents in the North-Central, with an average of 800 Naira (USD 6).



### 2.7.3 Type of information needed

When asked about what types of information they would need the most for their business/ institution, respondents expressed the following needs and priorities, as depicted in Figure 2-49. The most important selection, chosen by an overwhelming 50% of respondents, was education and training information. Government information, general news and current affairs, agricultural and health information were all judged equally important, ranging between 10-12% of responses.



Government information, general news and current affairs, agricultural and health information were all judged equally important, ranging between 10-12% of responses.