

Podcast Transcript – Connecting the Unconnected!

[00:00:10] **Jan:** Hello everyone, and welcome to “The Counterpoint Podcast”. I am your host Jan Stryjak. And today we are talking about connectivity, or to be more specific, the lack of it. The COVID-19 pandemic highlighted the importance of connectivity in our everyday lives, especially how it helps many of us maintain a semblance of normality during very difficult times.

However, ubiquitous connectivity is often taken for granted across the developed world. And we sometimes forget about the huge number of people who remain unconnected. So, today we're going to discuss if there is a two-tiered society based on whether or not people are fortunate enough to be part of the connected world.

We would also like to announce a new series where we dive deeper into the impacts of digital exclusion among students, women, underserved communities, and refugees. So joining me today is Mea Thompson, Chief Commercial Officer at *Unconnected.org*, and Neil Shah, Research Director, Partner, and co-founder at Counterpoint Research. So if I could turn to you first, Mea could you please tell us about the Unconnected.

[00:01:07] **Mea:** Thank you, Jan and absolutely I can. *Unconnected.org* is a charity that's been running for a few years now. Our goal is to bridge the digital divide and work towards digital equity and connect hundred million people to the internet.

And like you mentioned, Jan, we're working with four themes connecting women connecting student, connecting refugees and connecting underserved communities. And we are running projects under each of these themes on the global scale. All the projects that we run and manage, they are focused on bringing more people into the digital world.

It could be providing hardware access, expanding coverage into new places, or support with digital literacy training. And what keeps us going every day is just that the first-hand view on how connectivity can change people's lives for the better.

[00:01:59] **Jan:** Great. Thank you. So let's go back to the, the first question then. So would your stance be that there is a society and economy developing?

[00:02:08] **Mea:** Well short answer. Yes. In today's world, people need to be digital literate to fully be able to participate in these digital life. They need to know that to be able to be safe online and to be able to develop critical analytical skills. So you need to have access to the internet, short answer, but yes.

[00:02:28] **Jan:** Right. Okay. So that's yeah, that's interesting. Let's try and put some numbers on it then. Can we quantify the problem?

[00:02:34] **Mea:** Absolutely. So currently we're looking at an estimated 37% of the world's population, or put it in numbers, 2.9 billion people that have never used the internet today.

Majority of these people are women. We know that women are 8% less likely to own a mobile phone than men and 20% less likely to own a smartphone. And I would say that even among these 4.9 billion people counted as internet users, I'm doing rabbit ears with my fingers. You can't see that, but many hundreds of millions may only get the chance to go online, very infrequently, by, you know, shared devices or using connectivity speeds that really limits the usefulness of their connection.

And whilst we're talking about numbers, let's say that we extend the internet access in Africa, Latin America, and Asia to levels that we see in the developed countries that would deliver numerous benefits. But let me just highlight three. So one, the resulting economic activity could generate 2.2 trillion in additional GDP. That's a 72% increase in the GDP growth rate.

We also know that the evidence on the link between health literacy and mortality rates suggest that internet access could save two and a half million people and 250,000 children. And also two and a half million HIV aids patients could increase their life expectancy, thanks to better monitoring and adherence to treatment.

But these are just few of the positive impacts of connectivity. If you reverse these, you'll get a real view of what life is like today without the internet access, but let's keep this podcast somewhat positive. Should we? Jan.

[00:04:26] **Jan:** Yep. Good idea. I agree. And yeah, those numbers really do help put the problem in perspective don't they? So I guess beyond the fact that it's of course the right thing to do, why should companies be focusing on this area? Why should they help?

[00:04:49] **Mea:** Right. Okay. Well, apart from it's the right thing to do, there are longer-term commercial implications. So telcos, banks, digital service providers, and others, they should look at this, you know, as a huge market, there are 4 billion people in this target segment that could use your services.

And from an internal corporate culture perspective, CSR is becoming so much more important. Employees want to be involved, customers they want to see what other companies are doing to create a better world. And now we've also seen investors are starting to take a really keen interest in this. And again, to state some numbers Jan, because I know you like numbers 50% of 23 to 30 year olds say that they would quit a job for another one with better ESG impact.

And they're also willing to sacrifice \$14,000 to work in a company focused on social outcomes. That is how aware the workforces are today.

[00:05:52] **Jan:** That's really impressive. Thanks me. And this seems a good time to bring Neil into the conversation. So Neil, any thoughts from you on this?

[00:06:00] **Neil:** Yeah, I completely agree with me and the way she has put everything in context with the facts, what we are hearing right now is this is a major obstacle for everyone to be digitally literate. And connectivity is a glue which drives this, and who would be in a better position than the companies and the professionals who are helping sell this connectivity to the mainstream users as well as masses, to get involved and accelerate this initiative to bridge the digital divide, right?

So if you look at the entire mobile industry or even the telecom industry, it's a trillion-dollar industry. And even if you say of small percentage of the individuals or corporations start contributing and focusing on the unconnected more, maybe it's part of CSR activity, or maybe it's part of their overall mandate, which is to connect people, but also focusing more on providing charter, program subsidies, getting involved with feet on the ground. I think there can be a significant impact of which we can do as an industry.

[00:07:04] **Jan:** Okay. Thanks. Thanks a lot, Neil. So companies from our sector, basically the tech sector how, how can they help in this regard? Mea, I know this is a, a big open ended question, but from where you sit kind of, what are some of the areas say a mobile operator or a device manufacturer or perhaps an app developer, where can they make a direct impact?

[00:07:25] **Mea:** That is such a great question. Maybe I can answer that by just explaining some of the projects that we've recently done and give you an idea about how we can work to bridge the digital divide. Even though we're a smaller organization, we're very hands-on. So I mentioned four themes in the start, connecting women, students, underserved communities and refugees. And in the connecting women category, something that we did together with an operator in Mexico and another NGO is that we set up digital training centers and computer labs in rural villages in Mexico.

And we trained the female entrepreneurs who normally made artists no goods and sold to tourists. Due to COVID they couldn't. So they actually started trading these online and that changed the whole village in the way that they could operate. So that's one of the projects we did. We also worked very closely with operators during the or we still are due to the Ukraine war and we are supporting, and we, we actually physically stood out the border areas of Ukraine, giving out SIM cards and made sure that people could charge their phones as they crossed the borders into Europe. And that was just such an eye-opening experience that people were running past the food stores and the stores with clothing and, and heat to get to us, to be able to charge up their phones and call their loved ones back in Ukraine.

And I can keep going on and on about various projects, but that's just some ideas of the work that we can do together. All the stakeholders in the industry to make a true difference.

[00:09:00] **Jan:** Wow. Some really fantastic initiatives there. Thanks a lot for sharing some of those with us. So back to the numbers, as we said, I like my numbers. So let's see if we can quantify this. So when, when companies get involved how do you measure the actual impact that these initiatives have? Is that possible?

[00:09:33] **Mea:** Yes, it is. You can measure them in different ways. I think to be able to really push this out, we need to understand the impact of these investments on the community.

And it's also really important for companies as they are accountable, too, with results being reported to SDG / ESG reporting. So, what we do is that we quantify and we measure everything. We partner with really clever impact consultancy companies, which provides us with SDG scoring for each projects.

So we can basically show our partners black and white, the actual impact of the projects that they support. So one of the projects we did recently was to connect female students in slum areas in India. And we connected these educational facilities. And even though let's say in one of these facilities, they were only, again, I'm using rabbit ear fingers, hundred girls in one of these facilities, the impact of connecting those girls and provide them with the tools and the information and understanding and education to use these digital services that goes so far behind these hundred girls, it goes amongst their families in their future, how they're gonna contribute to the societies. So all that is tracked and provided back to the companies and partners that we work with.

[00:11:00] **Jan:** Thank you. So I'd like to bring Neil back in at this stage. So Neil Mea mentioned of partnerships leads me perfectly to my next question, which is where do you see Counterpoint Research getting involved and helping?

[00:11:09] **Neil:** Yeah, as I said before that owners is upon us as professionals to help accelerate in bridging the digital. So from counterpoint protective, if you see, we have been the industry Counterpoint Research for almost 10 years, it's our 10th year anniversary, and it's no better time to give back to the community. And since we breathe in and breathe out, talking about connectivity, measuring the markets from connectivity perspective across the value chain, I think we are in a one of the really good. As individuals to understand the crux of the problem and to help solve this problem, we are very excited at Counterpoint with almost hundred analysts globally spread across different geographies. Majority of analysts coming from Asia and being in markets, such as India, where we are seeing almost out of 1.3 billion population, still 700 million people are still not connected to internet or very infrequently or don't have a smartphone even. So we see this is as an opportunity as analysts, as well as professionals in this industry to put

feet on the ground help in numerous ways. Not only from volunteering in whatever time we can give back to the community and connecting numbers of communities especially being in markets. Many of our analyst are in the markets where we require these kind of initiatives and help as much as we need. Second, is obviously sponsor some teams and programs eventually partnering with connected *Unconnected.org* and trying to get involved in other projects, beyond our home markets, giving opportunity to our team, our colleagues, to see the problems around the world, learn from it, and also give it back to the community.

The third way where we aim to partner is obviously being in this industry and having a 360-degree review of the entire value chain working with almost everyone in the value chain, we can spread this word in a much better way being as a partner for *Unconnected.org*, and trying to bring in more stakeholders to this particular program and expand the partnerships. As everyone knows, we work and track so many different companies and work with them very closely, and we can influence them to partner on several programs and try to help connect the under sub-communities and also volunteer in many of the projects.

So that is another benefit which we see in with this partnership. And then next one is obviously from being in the industry 10 years, which I said is some sort responsibility, social responsibility as a company we should have in donating our time profits to the underserved communities. And that is something which we feel should now be a fun part of our company as we grow bigger.

And that is what I think is, are the main key reason. Apart from that being an analyst, as, Jan you said, we love numbers. We would also try to build or, or we already working on building a framework to measure the connectivity. We all, as analysts measure the connectivity, and with your work at GSMA earlier, Jan you have been involved many such projects in measuring the connectivity index how far the connectivity has printed, but we should also try to measure the connectivity and which are the different players and companies, which are getting involved and draw out some inspiration for other players, other stakeholders in the ecosystem to build some form of framework, track these initiatives and the brilliant work, which org and other companies have been.

[00:14:54] **Jan:** Wow that sounds like a great exercise in helping companies understand not just their positioning in the space, but also the difference they're making. So bringing the conversation back to the

Unconnected, I guess an initial challenge is to help people understand the basic problem of being unconnected, but Mea, how else can people get involved with your organization?

[00:15:07] **Mea:** First of all working with the telecom industry. I feel like when I explain the problem in regards about being unconnected, there is a lot of companies that really understands the value of connecting these people. This is one of those markets. What that is the understanding is, is very clear from the partners that we are working with.

So we are looking to work with more partners. We wanna grow our ecosystem of partners, whether you are, you know, a charity, a CSR organization, or let's say you are an operator or a vendor or an OEM partner or anyone that thinks that they are, or anyone that shares the same vision that we do, that connectivity should be a human right.

So you could contact us, get on board, you can sponsor a project. We've got so many projects in the pipeline waiting for sponsorships. So I'm sure you'll find a project there that's really close to your heart. It might be in, you know, a specific region where you wanna support or around a specific subject, like supporting, connecting women, students, etcetera.

So sponsor a project. You can either come on board and sponsor a whole theme. Another thing that organizations can do. Is to take on our hashtag #Unconnect24 challenge. It's a digital detox, but it's also a way to raise awareness about the digital divide. So companies that takes on the challenge, they are urging their employees to literally turn off their internet for 24 hours.

And by doing so they understand what it's like to be unconnected. And they also see how, how much we are relying on the technology today. And I can tell you by experience to do unconnect 24, it's a lot harder than you think. So that's another way that, you know, include your workforces and your staff into this and, and make a difference.

But we we're happy to talk to any one organization that think that they can help us in this space with our projects and our.

[00:17:11] **Jan:** That's great. Thank you. Wow. Yeah. 24 hour detox is something, as I kind of mentioned in the beginning, a lot of people would probably shut up their thoughts of and how much, you know, connectivity has become such a central part of part of our lives that we, that we started

take to take for granted. So I feel like that would be a very interesting challenge to take. And I think we are. Yeah, we I think we'll put some links on our site on the Counterpoint site to show social notes. And so listeners can see how they can get involved in all the things that Mea has just outlined. So at this point, is there anything else you'd like to emphasize Mea? I know podcast have their limitations, but anything that we may have missed or that you'd like to highlight here?

[00:17:51] **Mea:** Well, first of all, I'm really, really excited. And that goes to both you Neil and about the partnership that we embarking on and work together on this. I think that's really exciting. And I think, you know, kind of, well, one more thing that I might wanna say is that, you know, connectivity is a major part of the puzzle, but when we're looking at the connectivity status currently, you know, over 95% of the world is already connected to 3G and 4G. So that's not the biggest issue. One of the things that we find running projects is The cost to run projects is high because of hardware pricing. So maybe you get a few dollars for your old it equipment, but I'm asking wouldn't that be better to use, to give that, you know, to give that it equipment to someone to use for their first digital experience. So again, reach out if anyone of the people listening in have any unused it equipment.

We would love to use that in our projects. We will manage, you know, the whole process end to end and make sure that your used computer end up in the hands of someone that really, really needs it. So yeah, I think that was the one point that I missed, but Jan and Neil, again, I'm really looking forward to working with you both same.

[00:19:05] **Neil:** here, very excited, what partnership and what we can do together and influence the industry to connect and connect.

[00:19:14] **Jan:** Brilliant. Thank you both. And yeah, the appropriate at least for me that we're ending on this note and Mea, you just talked about the secondhand market. The refurbished market is an area. You know, we've covered for quite a, quite a while now and is increasing an importance both from a commercial perspective, but especially from a sustainability viewpoint.

So perhaps something we could go into in a bit more. In the next podcast where also, hopefully we can look in bit more depth of the potential solutions to connecting the, the unconnected. So so yeah, likes to say

thank you to Mea and Neil for, for joining me today and thank you to everyone else.

Listening in, please check out Counterpoint Research website for our newly published blog on this topic as well. But until next time bye-bye.