THE MARKET
With a 58 percent share of the South African market, it’s all “Yebo Gogo” for Vodacom. This Pan-African cellular communications company provides a world class GSM service to over 30.2 million customers across its networks in South Africa, Tanzania, the Democratic Republic of Congo (DRC), Lesotho and Mozambique.

As at 31 March 2007, Vodacom streaked ahead in the race amongst African leading cellular networks, with a 28.2 percent customer growth over the previous year. The Vodacom Group (Pty) Ltd continued to maximise efficiencies and productivity and posted a 27.6 percent increase in net profit after tax of R6.6 billion.

ACHIEVEMENTS
Over the past 12 months, Vodacom has launched new technologies and made lateral investments in related industries such as broadcasting, information technology and broadband data services. These promise to further enhance Vodacom’s product offerings and contribute substantially to increased revenues in the future.

The Vodacom brand walked away with the following awards over the past 12 months:

- December 2004 saw the launch of its push email, Mobile TV, Vodafone live!, the Vodafone USB Modem, the Vodafone 3G Broadband Express Card and Router, BlackBerry® push email, Mobile TV, Vodafone live!, the Vodafone Speaking Phone for blind or partially sighted customers, International Travelling (roaming) services such as Vodafone Passport, the Vodafone Credit Card, secured Vodafone’s revenue increase of 20.9 percent to R41.1 billion as at 31 March 2007.

Vodacom’s vision is about empowering people to communicate, helping to bring even the most remote areas in touch with the world through mobile voice and data communication. Vodacom also boasts a fully automated state-of-the-art warehouse and distribution system where cellphones are received from the manufacturers,

THE PRODUCT
Innovative products and services like mobile broadband via its 3G HSDPA network with the Vodafone 3G Broadband Mobile Connect Card, the Vodafone USB Modem, the Vodafone 3G Broadband Express Card and Router, BlackBerry® push email, Mobile TV, Vodafone live!, the Vodafone Speaking Phone for blind or partially sighted customers, International Travelling (roaming) services such as Vodafone Passport and the Vodafone Credit Card, secured Vodafone’s revenue increase of 20.9 percent to R41.1 billion as at 31 March 2007.

THE HISTORY
The Vodacom brand was born in 1993, when few people had yet heard of cellphones, kicking-off with clarity of vision that it continues to sustain. Vodacom flooded South African television sets with a commercial of a blue sky and puffy white clouds, advertising airtime seven months before its commercial launch in June 1994. With CEO Alan Knott-Craig at the helm for the past 14 years, the Vodafone brand has gone from strength to strength in the telecommunications industry in years to come.

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The Marketing Excellence Awards 2006 saw the company awarded Leading Brand Campaign 2006. Vodacom’s advertising agency, FCB, won the Grand Prix for the Vodacom Meerkat Campaign in the Category Brand Marketing Campaign - Products & Services. SAIL, the agency that handles Vodacom’s sponsorship advertising, won both a Grand Prix and a Gold Award for the Vodacom Durban July.

In 2006, the Vodacom 4U franchise won the FASA (Franchise Association of Southern Africa) award for Excellence in Franchising.

These achievements reflect the progress Vodacom is making in democratising the telephone and telecommunications in general. Vodacom identifies this as the most significant move in bridging the digital divide. Bridging the digital divide is critical if Africa is to become economically emancipated, and with new and exciting developments breaking into the market everyday, this can become a reality.

With an estimated cellular market penetration of 84 percent in South Africa, Vodacom will continue to pursue a mobile-centric approach and remains committed to bringing its customers the latest, best quality products and services at the most affordable prices. Vodacom is confident that this strategy will ensure it remains the leader in the telecommunications industry in years to come.

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- December 2004 saw the launch of its 3G network and associated products and services
- Vodacom brought Mobile TV to life on Vodafone live! 3G cellphones at the end of 2005, making some of the world’s best-known programmes across its 22 TV channels available to its customers
- In 2005, South Africa joined the worldwide e-mail and Internet-on-the-move revolution when Vodacom became the first to launch BlackBerry® push email
- 2006 saw Vodacom launch the first 3G HSDPA (mobile broadband) network in South Africa
- Vodacom Tanzania launched its high-speed 3G HSDPA data services to Vodacom customers in Dar es Salaam in early 2007. The rollout has made Tanzania the second country in Africa, after South Africa, with access to mobile broadband services

- Yebo Gogo . . . Vodacom remains South Africa’s leading cellular network!
Vodacom Direct allows customers to place their orders telephonically and have their cellphones and data cards delivered to their doors.

Prepaid and Top Up package options enable those on a limited budget to top-up anytime whenever they want to. In a world first, Vodacom offers Call Sponsor - a unique service which enables Vodacom Contract customers to pay for calls or SMS messages to selected numbers, made by Vodacom Prepaid and Top Up customers.

**RECENT DEVELOPMENTS**

Vodacom has pioneered access to mobile telephony and with the latest reduction of its mobile data tariffs it is now also revolutionising access to mobile data services, including broadband data services, making it more accessible to all its customers. Vodacom offers various mobile data access solution options, including Mobile Broadband from Vodacom, across its 3G HSDPA network, as well as Wireless Broadband from iBurst. The reduction of data tariffs, as well as expansion of its mobile data access solution portfolio, illustrates Vodacom’s commitment to make communication services accessible to all South Africans.

Vodacom has formalised its entry into the broadcasting and multimedia market by launching an exclusive pay-TV service. With DStv Select only from Vodacom, all South Africans, including Vodacom and non-Vodacom customers, have a choice between two exciting DStv Select bouquets, each offering a variety of the latest entertainment, news, sports, movies, documentaries and music channels.

With the Vodacom Credit Card customers have access to a wide range of benefits. This credit card offers an extensive range of benefits including exclusive offers, cash backs and discounts on travel, leisure, safety and security, education and Vodacom products and services, to Vodacom Contract customers.

Vodacom Prepaid customers benefit from Vodacom Talking Points which are awarded for airtime used and recharged - the more they talk, the more they earn. Vodacom Talking Points can be exchanged for discounts on Vodacom-to-Vodacom calls (for a period of time), SMS Bundles, as well as new cellphones.

The company offers a variety of customer support services through its Walk-in Customer Care centres (six nationwide) and distribution channels - more than 945 franchise and dealer outlets (Vodashops, Vodacare, Vodacom 4U, Chatz and Cellshack stores) and 13,800 retail outlets.

In August 2006, Vodacom acquired 10 percent of the share capital of wireless broadband provider, WBS, and currently sells iBurst’s Wireless Broadband access solutions via participating Vodacom outlets.

In November 2006, Vodacom Ventures procured a 26 percent stake in G-Mobile Holdings Limited - the holding company of WirelessG. Vodacom Ventures also announced its investment in GOGGA Connect, with a 49 percent stake, setting the direction for offering converged communication solutions.

**PROMOTION**

Vodacom uses both above and below-the-line advertising tactics in its marketing and advertising strategies. Vodacom’s “Yebo Gogo” and “Mo the Meerkat” advertising campaigns continue to generate both awareness and enjoyment. Marketing and advertising expenses are invested to promote and educate its customers on the latest technologies or services, enhancing brand presence in all spheres of operations.

Sporting promotions and sponsorships underpins the company’s image as fresh, exciting and dynamic. Keeping its eye on the ball, three top soccer teams; Kaizer Chiefs, Orlando Pirates and Bloemfontein Celtic, are all sponsored by Vodacom.

Vodacom’s rugby sponsorships include the prestigious Vodacom Tri-nations, the Vodacom incoming and outgoing tours, the exhilarating Vodacom Super 14 and the Vodacom Cup.

Africa’s greatest horse racing event (and fashion event) on the yearly calendar, the Vodacom Durban July, also flies the Vodacom colours annually, and has proved to be a highly worthwhile sponsorship for the company.

Vodacom is committed to its sponsorship objectives - believing in the contribution it can make towards uplifting sport across the spectrum of society in South Africa - and coined the slogan “Vodacom, the Greatest supporter of South African supporters”.

As a company aiming to be in touch with all South Africans, Vodacom is an active participant in numerous social responsibility initiatives through the Vodacom Foundation. The Vodacom Foundation has been changing lives for the past decade, with an investment of more than R215 million in community projects focusing on health, education, safety and security.

Vodacom’s advertising icons create familiarity and brand recognition. In the sea of today’s myriad brands and brand advertisements, icons add a measure of consistency and continuity that consumers can relate to. The famous Yebo Gogo characters, as well as the Vodacom Meerkats; Mo and Moisha, and Lucky & George (of “Blueteeth” fame), are all proving to be popular with its customers.

Through Vodacom’s Yebo Gogo brand campaign, South Africans caught on to the popular phrase “Yebo Gogo”. This phrase (its original meaning being “yes, grandma”) has entered the vernacular and is now frequently used when someone greets someone else or responding positively to a question, with an affirmative “Yebo Yes”.

**BRAND VALUES**

As South Africa’s leading cellular network, Vodacom embodies the qualities of caring, trust and respect. As a proudly South African company, Vodacom seeks to go about its business with integrity and humility. In its efforts to maintain superior customer service it has aimed to stay in touch with its customers, deeply involved in the way they communicate with friends, family and colleagues, and sponsoring sports teams and events that are close to the collective heart.

Vodacom views the future with optimism and continues to closely watch global developments in communications technologies, so as to bring its customers the best the world has to offer.

Vodacom’s vision to democratisethe telephone guides its efforts towards bridging the digital divide, with its vision in enabling people to communicate. In a country and continent where access to communication services is a challenge, even the most remote members of South African society are now able to be in touch via cellphones. Plainly, Vodacom aims to change lives and empower the people of South Africa and Africa.

**THINGS YOU DIDN’T KNOW ABOUT VODACOM**

- Vodacom’s premier retail centre, Vodaworld, was the first of its kind to be established in the world
- Vodacom was the first company in the world to launch a pre-pay cellular service in 1996
- Vodacom was the first to launch a Third Generation (3G) network in South Africa
- In 2006, Vodacom was first to introduce 3G HSDPA (Third Generation High Speed Downlink Packet Access) to offer customers mobile broadband access to the Internet
- Vodacom South Africa has retained its leadership in the highly competitive South African mobile communications market with a market share of 58 percent (as at 31 March 2007)
- The Vodacom Foundation was established in 1999 to drive and consolidate the Group’s contributions to uplift the communities in which it operates. Since then, the Vodacom Foundation has contributed more than R215 million, cumulatively, towards numerous community upliftment and development programmes
- Vodacom launched the first cellphone-based solution (Cell Life) to support and enable people living with HIV/Aids, to receive the Anti Retroviral treatment they need