

# Turkcell on the secret of its remarkable growth

Turkcell's successful approach to digital transformation has consolidated its leading position as a converged operator that offers voice, data, TV, and value-added services to businesses and consumers on integrated fixed and mobile networks. With 50.3 million subscribers globally, Turkcell's Chairman Ahmet Akca explains the business and technology strategies that underpin its remarkable growth and market leadership.

By Gary Maidment



**WinWin:** What's the secret to Turkcell's success in digital transformation?

**T**he data revolution has created a market value of trillions of dollars. However, operators need to do more than just carry data. In the last 10 years, OTT companies have used telecom infrastructure to reach billions of users and create a trillion-dollar economy. During this time, I think

that telcos have missed a very important opportunity and need a change in mindset to compete with global OTT service providers.

Turkcell knew it could no longer act as a raw data handler. We had to transform into a processed data services provider to compete and succeed. In particular, legally licensed operators are far more reliable than global companies at protecting customer information,



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— Ahmet Akca, Turkcell's Chairman



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which can provide opportunities for operators in the near future. Operators need to anticipate this change and reinvent themselves. And that's exactly what we've done over the last three years.

We transformed our company into the world's first real digital operator. Turkcell moved from selling gigabytes to providing real digital services that touch customers' daily lives.

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The basis of our transformation is data, which is today's oil. Producing data alone is not enough. What is important is to process that data, keep it within the borders of our country, and ensure its security. Driven by this vision, we opened a new data center in İzmir in June, making Turkcell Turkey's largest data center and cloud services provider and cementing Turkey's goal to evolve into a global hub for data centers in the region.

Turkcell has invested over 615 million Turkish lira

(US\$108.85 million) in next-generation data centers to date, which will increase to 2 billion Turkish lira with the completion of the Ankara and Corlu data centers. For the security of our customers' personal data and digital services, we've also constructed the Turkcell Security Center and Cyber Security Center.

Turkcell has been on an exciting journey of transformation towards becoming a global digital services and content provider. Half of our subscribers use our digital services, and we run very strong digital brands that locally are outcompeting global tech brands; for example, BiP is rivaling WhatsApp, and more people use our music streaming platform fizy than Spotify.

Our Turkish language search engine app Yaani has been downloaded on more than 6.5 million devices. Introduced in October 2017, Yaani was downloaded more than 1 million times in the first 9 days of its launch. We plan to continue developing strong digital products by analyzing data and transforming it into services such as music, cloud, and TV.

**WinWin: How do you plan to contribute to Turkey industrial development?**



We're ready to support the digital transformation of Turkey and thus continue to contribute to the digital integration of various vertical industries from health to transportation and beyond.



Turkcell is involved in the domestic car industry's software development and high-tech systems for scenarios such as a connected car platform, entertainment services, digital services, cloud solutions, and big data analytics.

We've also deployed solutions to create digital hospitals in several cities in Turkey, digitalizing every process with the help of an Information Management System that lets complete patients' datasets be monitored on mobile devices. With the kiosks we installed in these hospitals, it's now far easier to get queue numbers and access test results. Digital infrastructure enables medical devices to send data on networks and sensors and doctors to access X-rays, reports, and blood tests in a paper-free environment. Thus, our hospitals are now world-leading digital hospitals.

To bring value to the healthcare and IT industries with various projects, we're working with Huawei on several potential projects, including telemedicine for rural communities and support for clinical decisions.

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**WinWin: How are current domestic economic conditions, for example, a weakened lira, impacting Turkcell?**

I believe we will come out of these difficult times since the Turkish economy is basically strong and we have very strong fiscal discipline. Turkey will continue its growth momentum thanks to our vibrant economy and young population. Macroeconomic indicators are currently in a comfortable zone; for example, the export-import coverage ratio soared to 70.1 percent in July 2018, up from 58.7 percent in the same month last year. Turkey is also performing well when it comes public, personal, and banks and private sector debts.

We believe that Turkey's growth will come from the digital economy. The prudent macro measures taken by our government will help ensure the development of a healthy and strong technology ecosystem, which will be crucial as we join forces to create the digital economy.

Turkcell will continue to invest heavily in Turkey's local resources and in creating the digital solutions Turkey needs. 