

Yu launches in Kenya

Kenya has made a giant step in its telecommunications market with the launch of Essar-powered Yu. The licence awarded to Africa's telecom heavy-weight, Econet in September 2007 has seen legal battles with a Kenyan consortium that claimed a share and culminated in Essar, an Indian investment giant with also big interests in Kenya's petroleum industry, buying Econet's stake.

By [Titus Kaloki](#) 1 Dec 2008

Their target market is 70% of Kenya's 35 million and growing population - the youth. They are mostly unemployed and their expenditure is on the smaller denomination airtime vouchers of 20 to 50KES. They don't represent a big chunk of the current mainly working class dominated market but Yu were brilliant in spotting the potential in numbers in the emerging young market.

Yu plans to roll out over 2,500 info desks in Nairobi and the coastal tourist hub, Mombasa. Just recently, Kenya witnessed the rebirth of its second biggest mobile operator from Celtel to Zain, ushering in the low flat rate calls across all networks of 8KES per minute. Other competitors still remain expensive calling outside their networks. The French giant, Orange swallowed the former state monopoly which is still part of fixed land lines, Telkom. Theirs is the lowest tariff ever witnessed at 1KES per minute within its network.

It is against this background that Yu launches itself in the market as the fourth competitor. It's a tall order but the gusto with which they have entered the game leaves one wondering what sort of tricks they have up the sleeves. Rumour has it that they will crack the leading mobile provider, Safaricom's mobile money transfer by allowing subscribers to send money across all networks. Currently Safaricom has the monopoly of this service and transfers are only within its network.

For now Kenyans can preserve their existing numbers at the Yu website changing only the prefix to its 075. Already 250,000 have registered and the number is growing. Things look good for now as the Prime Minister Raila Odinga ushered them into Kenya's undeniably expanding market.

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