

# Mobile Internet as the Key Driver to Internet Growth in Kenya: Factors Underpinning.

By

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# Presentation Outline

1. Objectives of the Paper
2. Research Methodology
3. Research Framework
4. Findings
5. Conclusion
6. Policy Recommendations

# 1. Objectives of the Paper

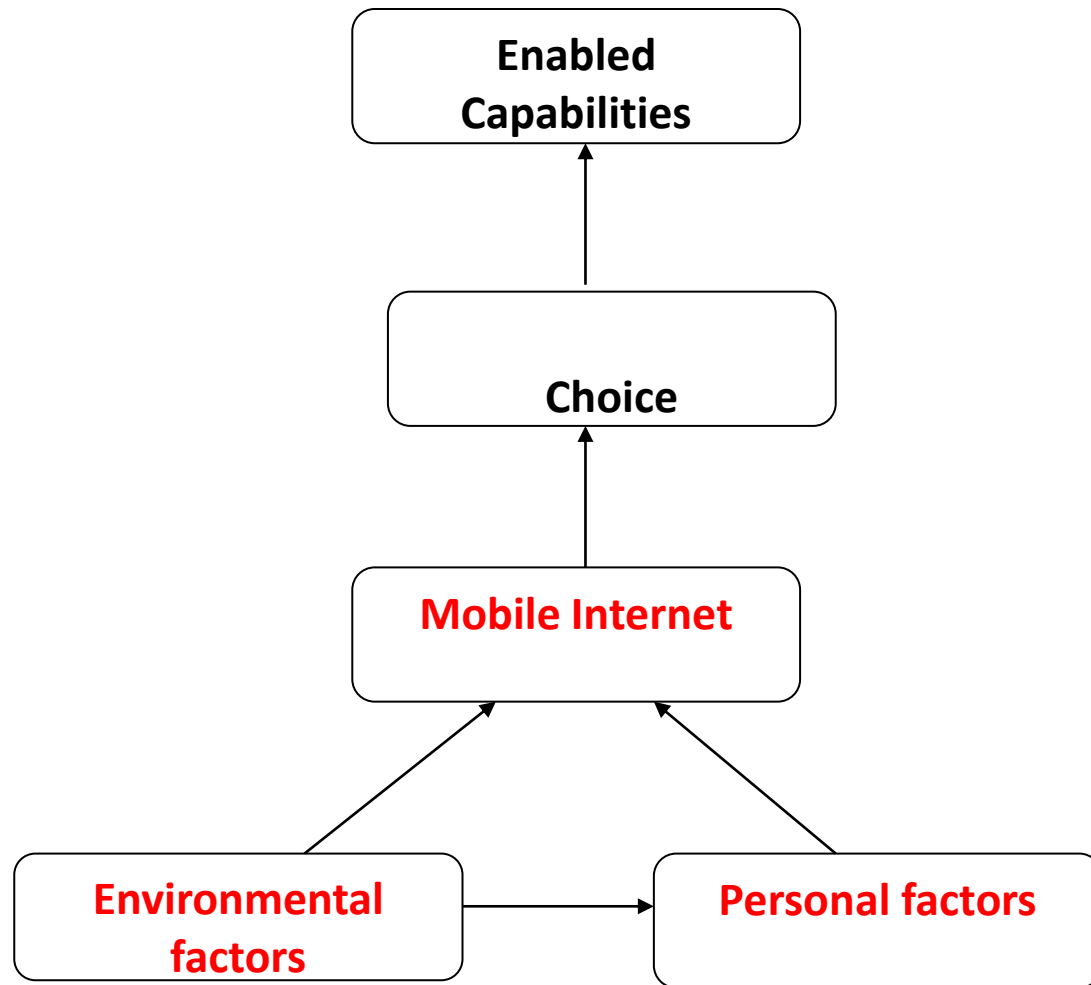
- Review of factors underpinning the rapid growth of Mobile Internet in Kenya
  - Derived opportunities/enabled capabilities
  - Recommend policy direction

## 2. Research Methodology

- Primary data-RIA 2007/8 & 2011/12 surveys
  - Combination of urban and rural households
  - Data collected as per the RIA Methodology
    - 60% urban and 40% rural
- Secondary data sources
  - Document analysis
  - CCK (regulator) statistics and reports
  - Operators websites and annual reports

# 3. Research Framework

- Capability Approach (CA) - theoretical framework
  - CA is concerned with what people are able to do and be as a result of using the resources around them.
  - Main components are **means** to achieve, opportunities/**freedoms/capabilities/** and achievements/outcomes/***functionings***
  - It recognises that while access to goods and services is a prerequisite to use, several factors plays a role on:
    - Whether to make use of these goods and services
    - How to make use them
    - Value attached to the usage and outcomes derived.



Source: Adopted from Ndung'u, Waema & Mitullah (2012)

# 4. Findings-Factors Influencing Usage

## ➤ Environmental factors

- Policy and regulatory environment
- Communications infrastructure (3 Under sea fibre cables & NOFBI)
- Competition and market forces
  - Reduced cost of mobile phone handsets
  - Reduction in Call tariffs
  - Low cost of data bundles

## ➤ Personal Factors

- Demographic factors
  - Age, gender, income and education
- Preferences and perceptions
  - Dictates the choices made

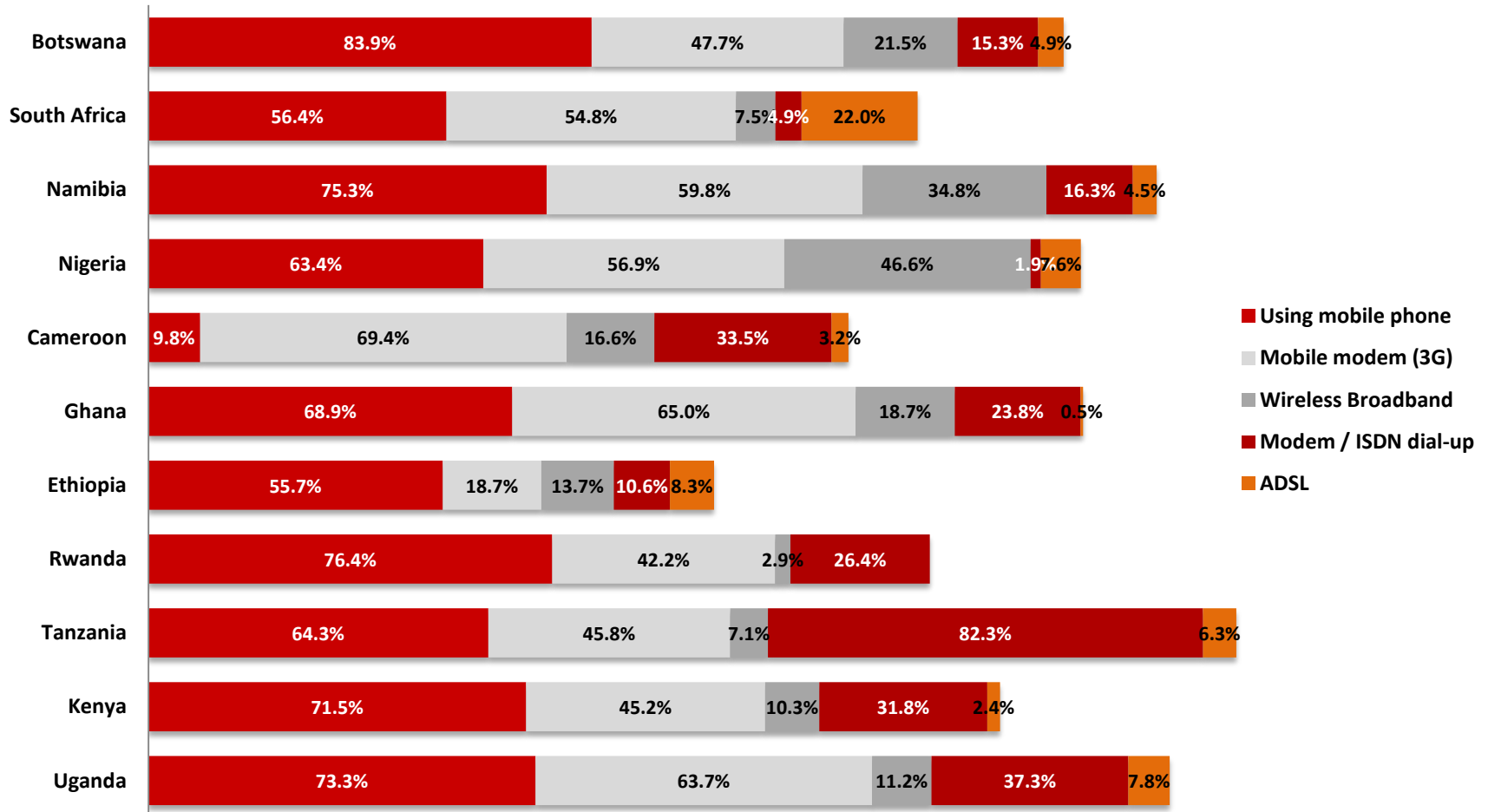
# Selected Statistics

- 16.4 million Internet users in Kenya
- 9.6 Internet subscriptions
- Total available bandwidth-921,319 Mbps
- Total used bandwidth-307,307 (33.4%)
- Mobile network covers 89% of the population
- 34% of the total geographical area
- 75.8% (29.8 million) Subscribers. 98.7% prepaid
- 99% per cent of Internet users in Kenya are via mobile devices (dongles or direct)

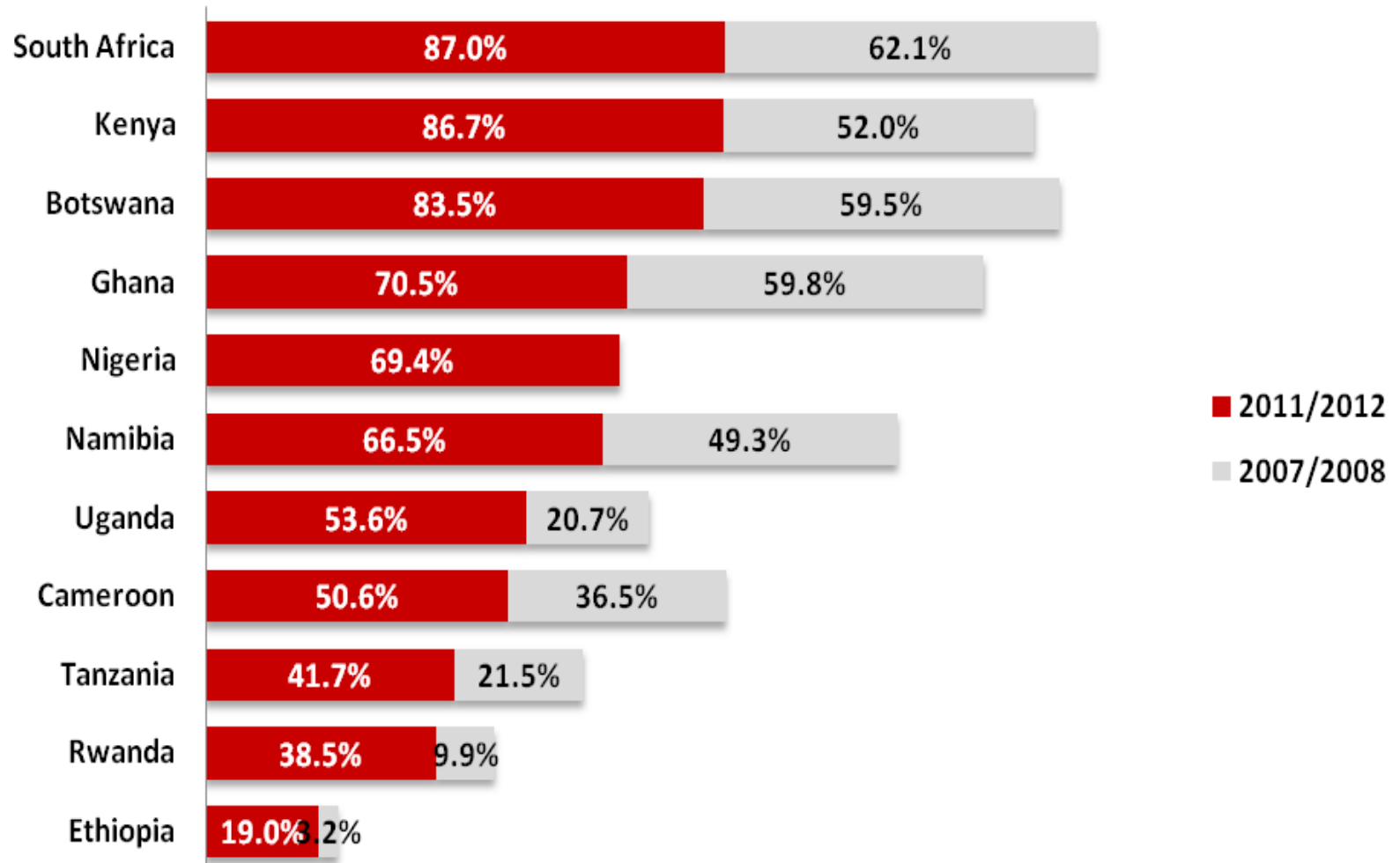
***Source: (CCK, 2013)***



## Type of Internet Connection by Households with Internet Access (Multiple Response)



## Share of 15+ that owned a mobile phone or active SIM card (2007/8 figure for 16+)



## 5. Conclusion

- Mobile Internet has been driving the growth of Internet in Kenya (99%).
- M-government adoption is still very low in relation to e-government
  - Content providers have not ensured that their content is also accessible via mobile platforms.
- Operationalization of the Universal Services Fund (USF) created by the 2009 Communications (amendment) Act has been very slow
  - While cost of Internet/data communication and price of mobile handsets have come down, availability of infrastructure is limited to urban areas

## 6. Policy Recommendations

- Revision of the ICT Policy to include
  - M-government as one of the ways of delivering services to citizens
  - Content providers should be mandated to provide content that is accessible via mobile devices
  
- Policy/Regulatory intervention on infrastructure
  - Infrastructure sharing should be enforced
    - Way leaves should be provided to operators at a low or no cost.
  - County governments should recognize fibre network as a national resource

**Thank You**