

After SA, Facebook now eyes the Kenyan market

By <u>Lilian Mutegi</u> 3 Jul 2015

After announcing on Monday that Facebook had opened its office in Johannesburg, South Africa, Facebook now eyes the East African market with a major focus on Kenya...

The social media network with over five million users locally looks into partnering with governments, telecom operators, agencies and other stakeholders to deliver localised solutions to advertisers and users continent-wide.

"Facebook will initially focus on growing its business in anchor countries in the major regions of sub-Saharan Africa: Kenya (East Africa), Nigeria (West Africa), and South Africa (Southern Africa)," the firm said in a statement.

The statement also added that the social network platform will as well continue to focus on tailoring solutions, metrics and ad formats to the needs of customers and advertisers in the mobile-first, mobile-only African environment.

Facebook also focuses on growing its business in other African countries including Nigeria (West Africa), Senegal, Ivory Coast, Ghana, Tanzania, Rwanda, Uganda, Zambia, Mozambique and Ethiopia.



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"We are inspired by the incredible ways people and businesses in Africa use Facebook to connect. This momentum in Africa comes on top of strong advertiser partnerships and excellent adoption of our products across all regions. Africa is important to Facebook, and this office is a key part of our strategy to expand our investment and presence across EMEA. Facebook is already a central part of people's lives in Africa, and with more than a billion people in Africa, we want to do more to help people and businesses connect," said Nicola Mendelsohn, Vice President, EMEA, and Facebook.

But why would Facebook have interest in Africa? Facebook's active user population in Africa has grown 20 percent to 120 million in June 2015 from 100 million in September 2014, where more than 80 percent of these people access Facebook from their mobile phones.

With more than a billion people, Africa holds vast potential for Facebook and the company expects this growth to continue as the cost of data services decreases and more people upgrade from basic feature phones to smartphones that are capable of running its full mobile app.

Facebook described the opening of its new office as "the first step in furthering our investment in Africa and its people". However, the company has been investing in technology products for the region for some time.

For instance, in 2013 Facebook launched Internet.org, a global partnership with Ericsson, MediaTek, Nokia, Opera, Qualcomm and Samsung, that aims to make internet access available to the two-thirds of the world that are not yet connected. The app launched first in Zambia and has since rolled out in Tanzania, Kenya, Ghana, Colombia and parts of India. It allows users to browse a set of health, employment and local information services without data charges.

By providing free basic services via the app, Facebook says it hopes to bring more people online and help them discover valuable services they might not have otherwise. As well as the app, the Internet.org partnership is also looking at providing internet access from the sky in places that are currently unconnected, using drones, satellites and lasers.

The ultimate aim of all of these efforts to improve internet access in Africa is to bring Facebook more advertising revenue. Over half of Facebook's total ad revenue came from outside the US and Canada in the first quarter of 2015, and mobile advertising revenue represented approximately 73pc of Facebook's ad revenue.

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