



# Availability of Mobile Virtual Network Operator Differentiated Services, Market Segments, and their Level of Utilisation in the Kenyan Market

Arimbi J. Murori, Daniel Otanga & Jasper M. Ondulo

Masinde Muliro University of Science and Technology, Kenya

## Article History

Received: 2025.06.28

Revised: 2025.11.14

Accepted: 2025.11.19

Published: 2025.11.27

## Keywords

Differentiated services

Market

Niche markets

Virtual network

## How to cite:

Murori J. A., Otanga, D., & Ondulo J. M. (2025). Availability of Mobile Virtual Network Operator Differentiated Services, Market Segments, and their Level of Utilization in the Kenyan Market. *Journal of Research and Academic Writing*, 2(2), 231-241.

Copyright © 2025



## Abstract

The global market size of Mobile Virtual Network Operators (MVNOs) in 2025 is a multibillion-dollar industry that provides flexible and cost-effective mobile services to millions of customers across the globe. The MVNO sector in Kenya has registered some success in the wireless mobile market, but it is not clear the extent to which they have embraced differentiated services, and distinct market segments that are core to their success. The aim of the study was to find the available MVNO differentiated services, market segments, and their level of utilisation in the Kenyan market through a qualitative method approach of literature review, interviews, observations, and content analysis from the Mobile Network Operator (MNO), MVNO sector and the Communications Authority (CA) of Kenya. The study found that the MVNO market share in Kenya is low against global competitive values of (10%-50%). MNOs, MVNOs, and financial institutions partly targeted the same services, and operated in the same market segments. The level of service differentiation, and market segmentation is low, and so is the level of utilisation of differentiated services and market segments. Mobile money transfer services, and electronic airtime/data vending services in the financial and retail market segments, respectively, performed well and were gainfully utilised. Utilisation of differentiated services in the other market segments is insignificant. Key limitation was the lack of MVNO regulatory framework on which to critique the sector from a local perspective, and the lack of previous research to establish a baseline for new findings. The MVNO landscape, however, is virgin and promising.

## Introduction

The global digital migration from analogue to digital broadcasting, which culminated between 2006 and 2015, created a significant "digital divide" by freeing up valuable radio frequency spectrum (GSMA, 2017). This liberation of spectrum catalysed innovation within the telecommunications sector, paving the way for new business models. Among the most significant of these is the Mobile Virtual Network Operator (MVNO). An MVNO is a telecommunications service provider that does not own its own radio access network (RAN) infrastructure. Instead, it strategically leverages this newly available, shareable spectrum by purchasing network capacity from incumbent Mobile Network Operators (MNOs) to offer flexible, cost-effective services to end users (Lesjak, 2025).



The MVNO model established a symbiotic relationship between MNOs and MVNOs. For MVNOs, it eliminated the prohibitive capital expenditure associated with spectrum licences and the deployment of physical infrastructure. For host MNOs, it provides a vital revenue stream by monetising underutilised network capacity, enables the sharing of operational costs, and facilitates market expansion into previously unreachable customer segments (Kelbič et al., 2025). The core value proposition and success of the MVNO model, however, hinge on its capacity to foster market competition through strategic service differentiation. As Kelbič et al. (2025) emphasise, MVNOs thrive by creating innovative service bundles, cultivating unique brand identities, and deliberately targeting distinct market niches—such as rural communities, specific ethnic groups, or budget-conscious users—as defined within their service level agreements (SLAs) with host MNOs. This focus on differentiation is critical to avoid duplicating direct services with MNOs and to foster a dynamic, competitive telecommunications landscape.

Despite the proven global success and projected growth of the MVNO model, its trajectory within the Kenyan market remains ambiguous and stunted. Kenya, a nation renowned for its pioneering adoption of mobile financial services, presents a paradox: a vibrant mobile ecosystem coexists with an underperforming MVNO sector. The sector appears to be constrained by a lack of clear strategic differentiation, with MVNO service offerings often overlapping significantly with those of their host MNOs and other financial institutions. An underdeveloped and non-conducive regulatory framework is likely to compound this service duplication. Consequently, the specific market segments that Kenyan MVNOs effectively serve, and the extent to which their differentiated services are utilised, remain poorly understood and underexplored in academic literature.

This study aims to systematically investigate and clarify the dynamics of service differentiation in Kenya's MVNO sector. The specific objectives are to identify the portfolios of differentiated services offered by MVNOs, delineate their distinct target market segments, and assess the utilisation of these services in the Kenyan market. To accomplish this, a set of research questions has been formulated to guide the study. It includes: What is the current operational and regulatory status of the MVNO sector in Kenya? For any business to thrive, it needs a conducive environment and a supportive regulatory framework to mitigate the challenges associated with PESTEL and Porter's 5-forces strategy (Porter, 1980). A framework provides a clear roadmap for operations and minimises legal ambiguity. Secondly, what differentiated services and specific market segments are targeted by MVNOs in Kenya? Differentiated services and market segments are lifelines to MVNOs. Thirdly, what is the current level of utilisation of differentiated services and market segments in Kenya? Service usage patterns may be linked to certain groups of people, geographic areas, classes, etc. Such patterns are useful for MVNOs to locate their clientele in different environments.

## **Methodology**

### ***Research Design and Philosophical Approach***

This study adopted a qualitative, exploratory research design to investigate the complex sociotechnological phenomenon of MVNO service differentiation and market segmentation in Kenya. The research was grounded in an interpretivist philosophy, seeking to understand the subjective realities and experiences of key stakeholders within the MVNO ecosystem. A deductive-inductive hybrid approach was employed; a preliminary thematic framework was established based on extant literature and research objectives, which was then refined and expanded through iterative data analysis. Primary data was gathered through a multi-method strategy comprising semi-structured interviews, non-participant observations, and qualitative content analysis of regulatory and industry



reports. A comprehensive systematic literature review provided the foundational context, enabling comparative analysis and triangulation to validate emergent findings.

### ***Study Area and Population***

The research was conducted in Nairobi, Kenya's undisputed telecommunications hub and regulatory centre. The study population was purposively defined to encompass all core organisational entities central to the MVNO value chain. This included the entire known population of licensed MVNOs in Kenya, specifically Equitel, Eferio K, Enya, and Tangaza Mobile Pay; all three incumbent Mobile Network Operators (Safaricom, Airtel, and Telkom Kenya); and the two principal government agencies responsible for regulation and policy: the Communications Authority of Kenya (CA) and the ICT Authority.

### ***Sampling Strategy and Data Collection***

A non-probability, purposive sampling technique was utilised to select information-rich participants who possessed direct, strategic, and operational insights into the MVNO sector (Cochran, 1963). From each of the eight targeted institutions, approximately three key informants – typically in managerial roles such as Operations Manager, Regulatory Affairs Manager, or Technical Manager – were recruited, culminating in a total sample of 18 in-depth interviews. Data was collected using meticulously designed, guided questionnaires for both interviews and observations. To ensure data integrity and completeness, all sessions were audio-recorded with consent, and photographic evidence was captured during observational studies where appropriate.

### ***Data Collection Process and Analytical Framework***

The data collection process was initiated through formal correspondence addressed to the chief executive officers of the targeted institutions. The lead researcher conducted all interviews, each lasting approximately thirty minutes, and performed subsequent on-site observations where access was permitted. The data collection instruments were structured around six pre-defined thematic areas:

- (a) the general outlook and regulatory status of the MVNO sector;
- (b) the portfolio of available differentiated services and target market segments;
- (c) identification of untapped and underserved market niches;
- (d) the quantitative and qualitative level of service and segment utilisation;
- (e) key operational, regulatory, and market constraints; and
- (f) prospects and strategic directions for MVNOs.

A seventh theme, derived from the systematic literature review, was integrated to facilitate cross-validation. The collected data were analysed using a rigorous thematic analysis process, involving iterative cycles of coding, categorisation, and theme development to identify salient patterns and insights directly addressing the research questions.

### ***Findings: Status of the MVNO Sector in Kenya***

Kenya's mobile market is recognised as one of the most mature and vibrant in Africa, distinguished by a high subscription rate. Recent sector statistics report a total mobile subscription base of 74.9 million, representing a penetration rate of 143.2% (Communications Authority of Kenya [CA], 2024). The market is characterised by a well-defined oligopoly, dominated by four MNOs: Safaricom (63.3% market share), Airtel (32.2%), Telkom Kenya (1.5%), and Jamii Telecom (0.9%). Notably, all MNOs except Telkom Kenya have deployed 5G infrastructure, indicating an advanced technological landscape that provides a robust foundation for hosting MVNO operations (CA, 2024).



Despite this conducive environment, the MVNO sector has experienced constrained growth. Since the inaugural MVNO launch in 2014, the regulator has issued a cumulative total of nine licences. However, a decade later, the sector's collective market share remains marginal at approximately 2.3% (CA, 2024). The hosting distribution is uneven, with six MVNOs relying on Airtel's network, two on Telkom Kenya's, and a single MVNO, Equitel, hosted by the market leader, Safaricom. The sector's history is marked by significant volatility and attrition. Three MVNOs have been formally deregistered, and an additional four, while technically retaining their licences, have ceased public operations and exist in a state of dormancy (CA, 2024; Peter N. G., 2022, personal communication). Consequently, only two MVNOs – Equitel and JamboPay – are currently conspicuous and actively operating in the consumer market.

This combination of a high attrition rate, a significant number of dormant entities, and minimal market share achieved over ten years within a thriving mobile ecosystem points to profound and systemic challenges within the Kenyan MVNO sector. A summary of the registered MVNOs and their status is presented in Table 1.

Table 1: Summary of Registered MVNOs in Kenya, Services, and statuses (Source: CA Report statistics/Registers 2014 -2025)						
	MVNO Name	Year of Registration	Host MNO	Type of service	Mkt share %	Status
1	Finserve Africa Limited (Equitel)	April 2014	Airtel	Voice/Data/Mob money/ Financial	2.3	Active
2	Mobile Pay (Tangaza)	April 2014	Airtel	Voice/ Data/ Mob Money/ Financial	Nil	Deregistered
3	Zioncell Kenya	April 2014	Airtel	Voice /Data	Nil	Deregistered
4	Sema Mobile	April 2014	Airtel	Voice/Data	Nil	Deregistered
5	Lycamobile Kenya	November 2015	Airtel	Voice/Data	Insignificant	Active
6	Homeland Media	Feb2016	Airtel	Voice/Data/ Mo bile money	Insignificant	Active
7	Eferio Kenya Limited	August 2023	Telkom Kenya	MVNOs & IoT services	Nil	Active (proposed MVNE)
8	Jambo Telecom	April 2020	Telkom Kenya	Broadband & N/W provider	Insignificant	Active
9	JamboPay	February 2022	Safaricom	Data/Financial & M2 M/ IoT	Insignificant	Active (Latest MVNO)
	Pending Applications					
10	Infura Limited	-	-	-	Nil	Pending
11	Hidiga Invest'nt	-	-	-	Nil	Pending
	Unsuccessful Applications					
12	Kenya Airways	-	-	-	Nil	NO
13	Nakumatt	-	-	-	Nil	NO
14	Cooperative Bank	-	-	-	Nil	NO



## **Global and African MVNO Landscape**

The foundational premise of the MVNO model is its reliance on the spectrum and infrastructure of host Mobile Network Operators (MNOs). The telecommunications landscape has evolved significantly from 2G/3G legacy networks to advanced 4G Long Term Evolution (4G-LTE) and 5G systems. By 2024, global 5G subscriptions surpassed 2 billion, supported by over 300 commercial networks worldwide (Lesjak, 2025). This technological progression is also evident in Africa, where the telecommunications industry has grown to approximately 1.3 billion mobile subscriptions. The deployment of 5G standalone (SA) and 5G core (5GC) networks is revolutionising MNO services across the continent and creating a fertile ground for MVNOs. The African MVNO market is projected to grow at a Compound Annual Growth Rate (CAGR) of 10% from 2025 to 2031 (6Wresearch, 2024). Crucially, 5G-MNO networks can host 5G-MVNOs, which are ideal for delivering targeted services, including Machine-to-Machine (M2M), Internet of Things (IoT), and the Internet of Everything (IoE) applications, particularly in rural and remote areas (Lesjak, 2025). This positions MVNOs as ideal vehicles for pursuing differentiated services and niche markets.

The strategic direction of MVNOs is informed by established business theories concerning competitive advantage, technology adoption and diffusion models such as the Technology Acceptance Model (TAM) and the Diffusion of Innovations (DOI), and behavioural theories that explain consumer decision-making. These theoretical frameworks are critical for understanding how MVNO business models can achieve sustainable performance in competitive markets.

## **Market Segments and Differentiated Services**

Market segmentation, typically categorised into demographic, psychographic, behavioural, and geographic types, is a core strategy for MVNOs. From an industry perspective, MVNO market segments can be classified by type, category, business model, and region (P&S Market Research, 2024). Globally, typical segments include Discount, Niche markets (M2M, IoT, travel), Data-centric, Business/Enterprise, Migrant (ethnic/diaspora), International Roaming, Retail, Telecom, Entertainment, Lifestyle, and financial services (Lesjak, 2024). These can be further refined by category (Pre-paid vs. Post-Paid) and business model (from Reseller to Full MVNO). Regional preferences are distinct; for instance, bundled data plans are prominent in Europe, while Migrant, Roaming, and Enterprise segments are most popular in the United States (Wise Guys, 2016). Corresponding differentiated services in the global market include remote management, security & surveillance, fleet management, e-Health, and advanced 5G IoE applications such as smart cities and smart health (Marketers Media, 2019).

Within Africa, the MVNO sector is showing steady growth in key markets such as South Africa, Kenya, and Ghana, with significant potential in Nigeria, Senegal, and Cameroon. South Africa leads the continent in the number of operational MVNOs, with prominent players including financial MVNOs such as Capitec Connect and FNB Connect, and retail MVNOs such as Mr Price Mobile (6Wresearch, 2024). In contrast, other markets, such as Ghana and Nigeria, face challenges, with many licensed MVNOs struggling to achieve commercial viability due to stiff MNO competition (6Wresearch, 2025). A common trend across the African region is the prominence of financial and retail markets, which differ from the focus in more developed markets.

## **The Kenyan Context: Services, Segments, and Utilisation**

In Kenya, while more than five MVNOs are registered, only two—Equitel and JamboPay—are conspicuously operational and active in the market (Vasudha, 2025). Airtel and its host MVNO, Equitel, are 5G compliant, with Equitel being the first 5G MVNO in Africa (Communications Authority of Kenya [CA], 2024). However, the sector faces a significant challenge in differentiating its



services. Popular MVNO services, such as electronic mobile money transfer, voice, and data, are also offered by banks, financial institutions, and MNOs, leading to a low level of distinct market segmentation (Erene G., 2022, personal communication). Finserve Africa Limited (Equitel) accounts for the bulk of the sector's 2.3% market share, with other MVNOs making negligible contributions (CA, 2023; CA, 2024).

Equitel has demonstrated the potential for differentiation by creating services across eight market segments: Financial, Retail, Business, International Roaming, Telecom, Lifestyle, Niche (M2M/IoT), and Prepaid/Post-paid (Equitel, 2024). JamboPay has followed a similar path, though on a smaller scale, showing particular growth in M2M services (CA, 2023). The other active MVNOs, such as Jambo Telecom, Lycamobile Kenya, and Homeland Media, have negligible market presence and service utilisation.

The utilisation of these services and segments is uneven. The financial market segment, driven by mobile banking and money transfer services, is well utilised and has been instrumental in reaching unbanked and underbanked populations. The retail segment, focusing on electronic airtime and data vending, is also gainfully utilised. In contrast, utilisation in other segments, such as Business, International, Lifestyle, and Niche (M2M/IoT), remains insignificant, though promising with the ongoing 5G rollout.

### **Results and Discussion**

The discussion confirms that the Kenyan MVNO market is characterised by intense competition and service duplication with host MNOs and financial institutions. This is largely attributable to the current regulatory frameworks—The Unified Licensing Framework (ULF-2016), The National Payment Systems (NPS) Regulations 2017, and The NPS Regulations on Mobile Money Interoperability (2018)—which favour MNOs and banks over MVNOs, as MVNOs are merely an application under the MNO-ULF (Khamali J., 2022, personal communication).

The study confirms the availability of differentiated services and market segments in Kenya, primarily driven by Equitel. However, the overall level of utilisation outside the financial and retail segments is poor, reflected in the low 2.3% market share, which pales in comparison to global typical values of 15-50% (Marketers Media, 2019). The Kenyan market presents a unique contrast to global trends, where the financial segment is a game-changer, unlike the bundled data focus in Europe or the migrant/enterprise focus in the US (Wise Guys, 2016).

In conclusion, despite a mature host MNO industry, the Kenyan MVNO sector remains embryonic. The lack of a separate, dedicated regulatory framework is a major constraint that stifles identity, performance, and checks and balances. The findings indicate that MVNOs in Kenya have outgrown the ULF licensing framework and require a new, fit-for-purpose regulatory outfit suited for the 5G era (Khamali J., 2022, personal communication). This study recommends further research into the unique policy and technology adoption barriers affecting MVNO development across Africa, as well as an urgent review of Kenya's MVNO legislation to unlock the sector's full potential.



Table 2: Available MVNO Differentiated Services and Market Segments in Kenya

Popular MVNO Services	Active MVNOs					
	Equitel	Jambo Pay	Jambo Telecom	Lycamobile K.	Homeland Media	Eferio Kenya
Mob money transfer	✓	✓	-	-	-	proposed
Mobile Voice	✓	✓	✓	✓	✓	proposed
Mobile Data	✓	✓	✓	✓	✓	proposed
<b>Differentiated Services</b>						
Mob money transfer	✓	✓	-	-	-	-
E-Airtime vending	✓	✓	-	✓	-	-
Mobile Banking	✓	✓	-	-	-	-
Merchant Pay bill	✓	✓	-	-	-	-
Business Till	✓	✓	-	-	-	-
Wallet as a service	✓	✓	-	-	-	-
Broadband data plan	✓	-	✓	-	-	-
Travel/M2M/IoT	✓	✓	-	-	-	-
VoIP	-	-	-	-	✓	-
<b>Market Segments</b>						
Financial	✓	✓	-	-	-	-
Retail	✓	✓	-	-	-	-
Business	✓	✓	-	-	-	-
International	✓	✓	-	✓	-	-
Telecom	✓	✓	✓	-	-	-
Lifestyle	✓	✓	-	-	-	-
Prepay/Postpay plans	✓	-	-	-	-	-
Niche (M2M, IoT)	✓	✓	-	-	-	-
MVNE/MVNO support	-	-	-	-	-	✓

**Conclusion**

Despite a mature and vibrant MNO industry, the MVNO sector in Kenya is still embryonic. Equitel is the only MVNO doing a commendable job. The MVNO landscape is still virgin with many untapped/underserved market segments, and promising, unexploited differentiated services. The financial market segment has achieved the greatest growth in differentiated services, with the retail market second. Mobile money transfer services are the most popular differentiated service in the financial market segment, followed by electronic airtime vending in the retail market segment. Utilisation of the financial market, and the retail market segments, and their respective services are good, but insignificant in all the other segments. Regulatory constraints are a major drawback to technology adoption, diffusion and integration. MVNOs in Kenya have outgrown the ULF licensing framework and need a new framework for the 5G dispensation (Khamali J., 2022).



This study has shown that differentiated services and market segments are available in the Kenyan MVNO sector. A summary of the status of registered MVNOs in Kenya, presented in Table 1, clearly indicates that the MVNO sector in Kenya faces many problems. A turnover rate of 3 MVNOs within 10 years is high. Second, all existing MVNOs offer services that are almost identical in the same market segments. Table 2 further reveals that only two MVNOs (Equitel and JamboPay) out of 6 are actively utilising market segments and differentiated services. Overall, the MVNO sector's performance in terms of differentiated services and market segments is commendable for 2 MVNOs but unsatisfactory for 6 MVNOs. The same applies to MVNO in African Countries. There must be a common policy problem. MVNOs require a separate framework to up their game. Secondly, technology adoption, diffusion and integration have not taken root in developing countries. The study recommends more research on MVNOs in Africa to understand the unique factors affecting its development, unlike the developed world. In Kenya, a review of existing MVNO legislation is necessary to provide renewed impetus for accommodating 5G core networks.

### **Acknowledgements**

My Sincere thanks go to my supervisors, Daniel Otanga and Jasper M. Ondulo, for their help, guidance, and mentorship during the study and the preparation of the PhD Thesis.

To the Department of Information and Technology of Computing and Informatics at Masinde Muliro University of Science and Technology for allowing me to complete my doctoral studies at the University.

### **References**

- 6Wresearch. (2025). Africa MVNO Market (2025-2031). Publisher, 6Wresearch. Product Code: ETC4602590, <https://www.6wresearch.com>
- 6W Research (2024). Top 12 pioneer companies in Africa MVNO Market with Size. 6W Research, Code: MTA0561. <https://6wresearch.com>
- CA of Kenya (2023). Second quarter (Q2) Sector Statistics Report, Financial Year 2023-2024, October-December 2023, <https://www.ca.go.ke/statistics>
- CA of Kenya (2024). Third Quarter (Q3) Statistics report for financial year 2024/2025, (January 1<sup>st</sup>-March 31<sup>st</sup> 2025), <https://www.ca.co.ke/statistics>
- Cochran (1963). Sampling Techniques, 2nd Ed., New York: John Wiley and Sons, Inc., Neley .comw York. <http://www.onlinelibrary.wiley.com>
- Equitel. (2024). Equitel makes History as the first successful MVNO to launch 5G services in Africa.
- Erene G., (2022). Current State of MVNO/MVNE in the Kenyan market: An interview given by the Technical Manager Equitel on April 15, 2022.
- GSMA. (2017). Digital Migration Process in Kenya-Telecommunications management Group by GSMA Spectrum. <https://www.itu.int>
- Kelbič. (2025). MVNO Business Models: Top niche strategies for growth. Tridens technology. <http://tridens technology.com>
- Khamali J. (2022). CA of Kenya - Interview Licensing Manager Unified Licensing Framework (ULF), May, 2022
- Lesjak. (2025). Telecommunications Industry Statistics Overview for 2025). Tridens technology Report, <http://tridens technology.com>
- Lesjak. (2024). MVNO Guide (Types, Strategies, and Customer segments. Tridens Technology. <http://tridens technology.com>



- Marketers Media. (2019). Mobile Virtual Network Operator (MVNO) Market 2019, by demand, Trends, Size, Industry Segments and Profit Growth by Forecast to 2025. Marketers Media Newsroom, Release ID: 88892654, <https://www.orbisresearch.com>
- Peter, N. G. (2022). Interview given by, Frequency Spectrum Manager Communication Authority of Kenya on November 13, 2022.
- Porter, M. E. (1980). Competitive strategy: Techniques for analyzing industries and Competitors, New York: Free Press.
- P&S. (2024). Mobile Virtual Network Operator (MVNO) Market Report: Size and Share Analysis, Trends, Forecasts (2024-2030). P&S Market Research Report Code: 10656. <https://www.psmarketresearch.com/market>
- Vasudha 2025 Report (2025). Kenya MVNO Market (2025-2031): Size, and Outlook Growth. 6Wresearch, Product Code: ETC4420551, <https://www.6wresearch.com>
- Wise, G. (2016). MVNOs in Europe Report: Data and M2M Segments Will Present the Highest Growth Opportunities to MVNOs in Europe. Publisher, Global data. <https://www.wiseguyreports.com/reports/370271>



*Appendix A: Thematic Framework for MVNO Sector in Kenya –June 2025*

Research Question	Themes	Codes (Sub Themes)
<p>What are the available MVNO differentiated services, market segments and their level of utilization?</p> <p>(Data Source: Interviews, Observations &amp; content analysis)</p>	<p>a) General outlook of MVNO sector in Kenya</p>	<ol style="list-style-type: none"> <li>1. 9-registered MVNOs.</li> <li>2. 2-MVNOs active, and operational.</li> <li>3. 3-MVNOs deregistered.</li> <li>4. 4-MVNOs active but not in the public domain.</li> <li>5. 2 -MVNOs pending applications.</li> <li>6. 3-MVNOs unsuccessful applications.</li> <li>7. MVNO sector embryonic.</li> <li>8. No regulatory framework for MVNOs (Licensed application under MNO).</li> <li>9. MVNO competing on the same services, and market segments with MNO/Banks, &amp; Financial institutions.</li> <li>10. Low business and low market share but sector promising.</li> </ol>
	<p>b) Status of MVNOs in Kenya</p>	<ol style="list-style-type: none"> <li>1. Equitel and Jambopay operational.</li> <li>2. Equitel, 1<sup>st</sup> 5G MVNO in Africa.</li> <li>3. Zioncell, Sema, and Tangaza MVNOs deregistered.</li> <li>4. Not much is known about Homeland Kenya, sycamobile, Eferio Kenya, and Jambo Telecom but active in the CA register.</li> <li>5. Eferio Kenya Ltd is first Kenya’s proposed MVNE, active but not in public domain.</li> <li>6. Infura Ltd, and Hidiga Investment are pending applications.</li> <li>7. Kenya Airways, Nakumatt, and Cooperative Bank - unsuccessful applications.</li> <li>8. Jamii Telecom (Faiba) started as MVNO but later upgraded to MNO (declined our interview).</li> <li>9. Telkom Kenya – compliance issues.</li> <li>10. Safaricom, Airtel, and Equitel are 5G compliant</li> <li>11. MNO industry generally vibrant</li> </ol>
	<p>c) Available Market segments, and Differentiated services</p>	<ol style="list-style-type: none"> <li>1. Financial Market segment                             <ul style="list-style-type: none"> <li>• Mobile Money transfer services</li> <li>• Mobile banking services</li> <li>• Agency banking services</li> <li>• Merchant- pay bill/till/Wallet services</li> </ul> </li> <li>2. Retail market segment                             <ul style="list-style-type: none"> <li>• Electronic airtime and data vending</li> </ul> </li> <li>3. Business (Enterprise) market segment                             <ul style="list-style-type: none"> <li>• Customized services to organizations</li> <li>• SACCO services</li> <li>• Chama services</li> <li>• Boda -Boda sector services</li> </ul> </li> <li>4. International market segment                             <ul style="list-style-type: none"> <li>• Data roaming services for travelers</li> <li>• Bundled services for travelers (data/voice /SMS)</li> </ul> </li> <li>5. Telecom market Segment                             <ul style="list-style-type: none"> <li>• Broadband data plans</li> <li>• Voice services</li> <li>• Messaging services</li> </ul> </li> <li>6. Lifestyle Market segment                             <ul style="list-style-type: none"> <li>• Healthy living</li> </ul> </li> </ol>



		<ul style="list-style-type: none"> <li>• Entrepreneurship</li> <li>• Education and learning</li> </ul> <ol style="list-style-type: none"> <li>7. Prepay/Post pay market segment                         <ul style="list-style-type: none"> <li>• Prepay auto top-ups</li> <li>• Post-pay bundled services</li> </ul> </li> <li>8. Niche market segment                         <ul style="list-style-type: none"> <li>• Mass Approval Services (MAS)</li> <li>• M2M</li> <li>• Eazzy Pay/Loans</li> <li>• Unbanked rural population</li> </ul> </li> </ol>
d) Untapped, and underserved market segments		<ol style="list-style-type: none"> <li>1. Kenya MVNO market is relatively untapped and underserved especially in rural areas. There is a wide range of niche markets and market segments to explore and exploit</li> <li>2. There are great opportunities for innovative products and value addition services to create.</li> </ol>
e) Level of utilization of services and market segments		<ol style="list-style-type: none"> <li>1. Utilization of services in the financial market segment, and retail market segment good but poor in the other market segments</li> </ol>
f) MVNO constraints		<ol style="list-style-type: none"> <li>1. MVNO has no regulatory framework of its own</li> <li>2. Framework formulation only out of need dictated by the regulator (CA)</li> <li>3. MVNO Inappropriate regulatory frameworks                         <ul style="list-style-type: none"> <li>• The Unified Regulatory framework (ULF-2016)</li> <li>• The National Payment Systems (NPS) Regulations 2017</li> <li>• The National Payment Systems (NPS) Regulations -Mobile Money Interoperability, 2018</li> </ul> </li> <li>4. Limited access to infrastructure                         <ul style="list-style-type: none"> <li>• Spectrum</li> <li>• Network coverage</li> <li>• MVNO Small market size</li> </ul> </li> <li>5. Technology adoption and diffusion</li> </ol>
g) Way forward and future MVNOs		<ol style="list-style-type: none"> <li>1. MVNOs have outgrown ULF licensing framework</li> <li>2. Separate regulatory framework for MVNOs necessary.</li> <li>3. 5G networks</li> </ol>