

Mobile phones usage and productivity: analysis of taxi operators in Nairobi

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Abstract:

Following the liberalisation of the ICT sector in 1998, Kenya witnessed exponential growth of mobile phones leading to their wide availability and use among micro entrepreneurs. It is argued that such wide availability and use of K'Ts could be a spur to achieve development by enabling the entrepreneurs be more productive in their business. Appreciating the significant role micro entrepreneurs play in our economy especially in as far as employment creation is concerned, there is need to establish the accuracy of such an assertion. The aim of this study therefore is to understand how taxi operators in Nairobi are using mobile phones and what effect this has on their productivity. Fifty-seven taxi operators drawn from Hurlingham and Westlands were surveyed over a period of six days. In addition to this, a frequent taxi user, a petrol station attendant a security person, and an official of a taxi association were interviewed as key informants. The respondents surveyed were mainly men of an average age of 40 years with secondary education. They began their taxi business and acquired their mobile phones in this decade. All are on the Safaricom network though a number also have additional lines spread across Zain, Orange and Yu. Most belong to a taxi association that they believe provides them with benefits. The broad research objective of the study was to explore the extent to which taxi operators are using mobile phones in their business operations and what effect this has on the productivity of their business. A majority of the taxi operators surveyed actively use mobile phones and deem them very important tools for their work. Telephone calls were favoured over text messages for a number of reasons including cost and the need to be certain that communication has been received. A total of 393 calls were made and received against 37 text messages. Of all these, a majority were for business purposes. Many operators regarded a mobile phone as an indispensable asset for their business enabling them achieve productivity by saving time, saving money, getting extra customers and by extension extra income. Overall therefore, mobile phones seem to be enabling taxi operators achieve higher productivity levels. Apart from enjoying enhanced communication capabilities, the operators are also enjoying additional benefits especially the electronic cash transactions via mobile phones. This latter service needs to be researched further to understand how users can get maximum benefits from the same.