

MOBILE NEWS

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Lyca aims for 1m subs in first year

New ethnic targeted MVNO launches on Orange, backed by £10m ad campaign

New international calling MVNO Lycamobile is launched in the UK today (September 22), backed with a £10 million multimedia marketing campaign and a wholesale agreement with host network Orange.

With Lycamobile SIMs being available since September 3, the new entrant claims it has already surpassed its customer targets and altered its first year goal from 750,000 customers to one million; or 60 per cent of the UK international calling market.

It is Orange's sixth MVNO agreement and the third signed this year.

Lycamobile also launched a £10 million advertising campaign today, lasting 12 months and featuring its new 'Globeman' icon (pictured). Sales points so far include the 70,000 outlets where international calling cards from parent company Lycatel can already be purchased.

The calling cards are expected to remain part of the company's core business.

Its retail footprint is expected to increase to Sainsburys, Tesco and the Post Office in the coming months, as well as The Carphone Warehouse, following a similar distribution deal with The Phone House in Holland.

Calls to other Lycamobile users will be free, with a 15p connection charge and 30 minute fair use policy. Calls to UK mobiles will cost 10p per minute, with texts 9p. Per-minute rates to international landlines include India, Pakistan and Nigeria at 5p and Poland at 4p. Customers will receive varying levels of free credit when topping up.

Lycamobile chief executive Milind Kangle said: "We will be the new benchmark for MVNO success globally. I believe we are Europe's largest ethnic targeted MVNO. In the next three years we hope to be the biggest globally, with seven to 10 million subscribers. Our key elements for success are our brand, leveraging off the Lycatel brand, our strong global distribution network, and our financial strength."

Orange UK director of wholesale Keith Greenfield said the agreement showed Orange was "the network choice" for MVNOs.

"We will continue to be active in this area and you can expect more relationships in the next 12 months," said Greenfield, without giving details of future markets the network wished to enter.

"Lyca is a big player in the calling card and MVNO space in Europe. We expect them to do very well."

