

Tapping in to the developing world

**Victor Keegan**

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We are so used to the US dominating social networks it comes as a surprise that a company claiming to have the biggest social network on mobile phones is not Facebook or MySpace but a little known outfit, myGamma, based in Singapore. Its target audience is the "newly connected middle classes" in developing countries and blue collar workers elsewhere. It is trying to attract the millions who can't yet afford a web connection on a PC but who can through entry-level phones such as a Nokia or Samsung. It must be one of the biggest untapped markets in the world; myGamma, owned by BuzzCity in which the Singapore government is the smallest shareholder*, is in the throes of a global expansion that could take it anywhere.

It has a claimed user base of 2.4 million subscribers, rising fast. I found it easy to locate communities in South Africa - where there are 200,000 users - and China (despite not being able to communicate) though not Zimbabwe, which would have been particularly interesting at the moment. It has its own mail system and virtual currency and claims to be the biggest network designed for mobiles rather than being a bolt-on to a PC service. It also, unusually, has a global pay-per-click advertising service.

myGamma is 100% user-generated content, which is both a strength (instant global reactions) and a weakness, as too much of the content is unmediated drivel that ought to be off limits to young children. Although designed for mobiles, that doesn't in itself solve the problem of legibility when so much information is squeezed into a small area.

Part of its success is due to low-cost data tariffs in developing countries, such as two rupees a day in India. Unsurprisingly the first significant take-up in the UK (12,000 users) was by T-Mobile, an early adopter of all-you-can-eat data tariffs. Recently Arabic writing started to be typed in from countries such as Egypt and Saudi Arabia and people have just started joining in Iran. "It just happened," says cofounder Dr Lai Kok Fung, who claims it could cope with a sudden increase in Europe without scaling problems.

myGamma is one of a number of projects in developing countries that could spread to the rest of the world. The experiment by Safaricom - in which Vodafone has a 35% stake - in Kenya, where 80% of people are unbanked, seems to be going from strength to strength. Customers vest money with a registered agent such as a retailer who credits their "virtual account" (ie SIM card) with money which can be sent by SMS to a recipient who can cash it at an agent's office by showing their ID and entering a secret code. Safaricom went public this month amid long queues of investors hoping for a quick profit.

If you want to help developing countries while monitoring progress, try the Guardian's Katine project to help our adopted village in Uganda or join a service such as the San Francisco based Kiva.org. This not-for-profit enables you to lend as little as \$20 to a named entrepreneur for a project outlined on the site, typically for six to 12 months. It is now three years since the first loan was made and it claims a near-total repayment rate. It's like a socially conscious version of Zopa.com, the UK site that lines up lenders to borrowers, bypassing the banks.

What is impressive about Kiva, which has been endorsed by President Clinton, is how it uses modern techniques such as blogging, networking, email updates and payment tracking to help reduce poverty, particularly in Africa, that traditional methods have not been spectacularly successful at. When you get your money back you can then re-lend to someone else. Although conceived as a way of nurturing nascent entrepreneurialism in poor countries, you could easily see the model being used elsewhere. A new trend, perhaps?

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· This article was amended on Thursday April 24 2008. The Singapore government is the smallest, rather than the biggest, shareholder in BuzzCity, which owns the mobile social networking service myGamma. This has been corrected.

* Correction from BuzzCity : The Singapore Government is a minority shareholder in BuzzCity.

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