

From 8ta to Telkom Mobile

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20 Mar 2013

Telkom Mobile, with a new logo and the umbrella brand for 8ta, will embark on a recruitment drive to strengthen its business, which has been re-branded to attract more high-spending customers.



Telkom on Tuesday (19 March) unveiled a new logo for its Telkom Mobile business,. Its subsidiary, 8ta becomes what it calls a "sub-brand".

As a result of the dwindling fixed-line business, Telkom sees its future growth coming from mobile, although it is still struggling to gain traction in a highly competitive market dominated by MTN and Vodacom.

Telkom Mobile managing director Attila Vitai said the re-branding had nothing to do with the cost restructuring that parent company Telkom had embarked on. Telkom announced last week it had offered its employees voluntary severance packages and early retirement packages. Vitai said Telkom Mobile was the "future and a growth engine" for Telkom.

"The mobile business is still growing. We are in a recruitment phase," he said. However, the company is still determining the total number of new people it needed to add.

Vitai said Telkom Mobile would look at redeploying some employees into Telkom Mobile.

"We want to limit the pain for employees. It does not give any of us a good feeling to let employees go," he said.

Minimal costs

Telkom Mobile would also look at how it could perform more effectively, said Vitai. It could, for instance, bring some of the outsourced functions back in-house. Through that process there could be new vacancies but Vitai said the process to determine the number of vacancies was still underway.

Asked how much it cost Telkom Mobile to re-brand its logo, Vitai said the costs were minimal and the group used existing budget allocations.

He said the new brand was positioned to take advantage of changes in consumer knowledge, expectations and behaviour.

"The re-branding also reflected the company was now mature enough to attract high-end customers from its rivals," said Vitai.

"We believe we have grown and can now offer good enough services to attract high-value customers," he said.

"Telkom Mobile is a response to these consumer requirements and to opportunities that a faster, top quality network offers for launching products that are attractive to high-end users," he said.

He said the brand name 8ta would remain "for a core set of products".

He said 8ta had developed a "strong and loyal following" in key parts of the market and would remain an important product for those 1,5m customers.

Telkom Mobile will commercially launch its long term evolution (LTE) network, a much faster wireless broadband network, in about a month. Vitai said the company would have 1,000 base stations at launch in Johannesburg, Pretoria, Durban and Cape Town.

Source: *Business Day* via I-Net Bridge

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