

Uber's main rival buys stake in Taxify

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Taxi hailing firm Didi has partnered with Uber's main rival, Taxify, to expand its presence in Africa. Taxify, which launched in Nairobi last year, is banking on the Chinese giant's technical expertise to tackle Uber, which has a footprint in a number of African cities.



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Under a new partnership, Didi Chuxing, the world's leading mobile transportation platform partly owned by Jack Ma's Alibaba, which edged Uber out of China, will support Taxify's growth and innovation across all markets. It is understood that its main contribution under the deal will be on the back-end of Taxify, allowing the Chinese firm to monitor when and where their drivers are most profitable.

"We will utilise this partnership to solidify our position in core markets in Europe and Africa. We believe Didi is the best partner to help us become the most popular and efficient transport option in Europe and Africa," said Taxify founder and CEO Markus Villig.

Earlier this year, Taxify said that it had plans to venture into all major towns in Kenya namely Mombasa, Nakuru and Kisumu by the end of 2018, and recruit about 7,000 drivers.

Didi will now own a stake in the firm that has more than 2.5 million customers worldwide, operating in 25 cities across 17

countries but mostly based in Eastern Europe. It also has a presence in West Asia and Mexico.

It is understood that Taxify's co-founders Martin and Markus Villig and Oliver Leisalu will remain the firm's majority owners.

Harnessing the power of mobile technology to satisfy consumer demand

Will Cheng Wei, founder and chief executive of Didi Chuxing said the firm is committed to "harnessing the power of mobile technology to satisfy the rapidly-evolving consumer demands and revitalising traditional transportation industry."

"I believe this partnership will contribute to cross-regional smart transportation linkages between Asian, European and African markets," he said.

Didi offers taxi, premier, express, luxe and hitch, to over 400 million users in more than 400 cities.

Through its \$2.3m venture capital investment, Taxify, which also launched in South Africa in April 2016, now has a presence in Kenya, Nigeria and Egypt.

Uber pushed out

In August last year, Didi successfully pushed out Uber from China after it bought out the American taxi tech firm's Chinese operations for \$35bn with a \$1bn pledge to invest in Uber.

Uber, whose revenues rose to \$20 billion last year, operates in nearly 600 cities in 70 countries. However, it has run into regulatory headwinds and drivers industrial strikes including in Kenya and South Africa. In June, its founder Travis Kalanick was pushed out by the company's board over his management style.

Didi, which has managed to raise \$13bn in the last five years, is ranked the world's second most valuable venture-backed startup after Uber, with an estimated value of \$50bn.

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