

HARD facts on SOFTWARE - A fresh look forward

Contributed by Immo Böhm
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www.afreshconsult.com

info@afreshconsult.com

I hope you had a good holiday and a good rest, and that your energy levels are up again for the new year! It is going to be an exciting year for Africa. Not only because of the world cup in South Africa, but also because I believe this is going to be Africa's decade.

I discussed two books in my last column last year. Books that really made a difference to how I view life and work.

The third book that struck me is from Vijay Mahajan: "Africa Rising". Mahajan has traditionally researched fast growing markets in Asia, and during his recent studies on Africa he says he found much of the same signs in the economy that were visible during the economic rise of America, the Asian Tiger states and China. Africa is the last big market to tap, and although its not always easy to do business in Africa, the time is definitely right to start planning for it.

There are over 900 million consumers in Africa. It is true that many of these are not part of the formal economy - yet! It is also true that many of these consumers are now moving into the formal economy, into what Mahajan calls "Africa Two". These are all consumers that do have some cash to spend, mostly on basic commodities and basic telecommunication needs. And with a growing African diaspora, there is a lot of investment into Africa, much more than one would think.

Also, Africa is richer than one tends to think. Africa is richer than India on the basis of gross national income (GNI) per capita, and a dozen African countries have a higher GNI per capita than China. It is also true that in Africa you are not dealing with a single market, but rather with many of them, which complicates things. However, many African nations are opening up their markets and making it easier to invest and conduct business. Business in turn builds democracy and stability, and hence I believe Africa is going to be a huge opportunity. Well, actually it already is!

Many of our customers are planning to expand into our neighboring markets this year. With HansaWorld working so well over WAN, this is easy for them to do. Many have already done so. Our company has expanded to Botswana and Zimbabwe last year, and we did some major deals in Kenya. So I can vouch for the findings of Mr. Mahajan. Have a look at "Africa Rising". You will start to see a lot of opportunities opening up in Africa.

This also became evident when I visited Kenya recently, and the Uhuru Highway was packed with trucks fully laden with construction material and construction equipment, bound for Uganda. Some of the economies in Africa are the fastest growing in the world, and most have escaped the world economic crisis due to the protected nature of their economies.

"Well, what does all this have to do with software?" you might ask. A lot! If your company is now running on a run of the mill accounting package and a couple of spreadsheets, then you are in danger of not being able to face the

onslaught of new competition. With Africa being the last big market, expect a rush of businesses moving into Africa, and this includes your market as well. If those business have better systems and processes in place, then they will be more competitive. Your knowledge of the local market will only protect you to an extent. And why not invest in systems and processes that not only keep competition at bay, but also allows you to compete in the markets that are now opening up?

I see this as a huge opportunity that is not to be missed.

Until next time, and remember……keep it (A)FRESH!

About the writer: Immo Böhm

Immo has extensive experience in business management systems implementation. His experience spans the retail, logistics, hospitality and agriculture industries. He holds a BSc Degree from the University of Stellenbosch and an MBA from the University of Luton in the UK.