

Africa's Tech Revolution

 [By raymond chimhandamba](#)

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According to Euromonitor's Africa Rising report, by 2030 Africa will have 16% of the world's internet users, which is a growth of 260% from 2017.

This makes Africa the fastest growing region for the number of internet users, creating compelling opportunities such as mobile banking and online retailing.

Safaricom, with their outstandingly innovative product M-Pesa, has already proved to the world what power there is in mobile money, mobile banking and their capabilities in solving the challenge of financial inclusion in Africa and the unbanked populations in other parts of the developing world.

According to a recent announcement, M-Pesa has plans to go global by partnering with Western Union. M-Pesa's 21 million users will have the ability to send and receive money across the globe via Western Union's half a million global agents. Not a bad global reach for a revolution that started in humble Kenya. Kenya and Nigeria continue to lead the regional innovations in mobile tech, online retail and ITC in general.

Unique challenges = unique solutions

Most of Africa's challenges are quite unique, requiring unique solutions. Mobile technology initiatives, developed in Africa, are fast responding to Africa's unique challenges.

In the agricultural space, we are seeing mobile phones assisting farmers with information on the weather, when to plant, when to harvest, and when to sell and at what price. The ability to share such information has reduced agricultural insurance as well as taking the guesswork out of planting seasons and so on.



Source: pixabay.com

Some of the technological initiatives in Ghana allow farmers to order a tractor from their mobile phones and even crop spraying drones that do the work of 15 labourers in a few hours. And indications are that blockchain will help to level out the value chains of cash crops and make them more transparent and indeed we may live to see the coffee farmer in Tanzania get a fair price for his over-priced premium coffee that is drunk by celebrities and business people in a trendy upmarket New York cafés.

China's Tecno Mobile has learnt well the usage habits of the African consumer, as well as their needs. Ignoring their home market, with the world's largest population, Tecno mobile's focus and deep understanding of the African consumer has been well rewarded. Their brand has taken the lead position in Africa's smartphone market. But competition is heating up fast. Egypt, Kenya, Rwanda and South Africa, are all planning to launch their own local versions of smartphones.

According to *The Guardian*, there are more mobile phones than adults in Africa, and they will account for about 10% of the continent's GDP by the end of the decade.

"The figures underpin the extraordinary rate at which the mobile industry has grown across the continent over the past decade and a half. The sector contributed \$100bn (£76bn) to sub-Saharan Africa's economy in 2014 and is expected to account for three times that in 2020" according to *The Guardian*.

Fast growing economies

Euromonitor predicts that the fastest growing economies from 2017 – 2030 will be in Africa and include Ethiopia, Rwanda, Mozambique, Cote d'Ivoire, Sierra Leone, Senegal, Tanzania, Uganda, Kenya and Burkina Faso.

They also believe that the continent's consumer spending will grow faster than the global average in the years to come. Much of the increase in Africa's consumer expenditure will come from rapidly growing markets such as Ethiopia and Kenya which are both expected to record consumer spending CAGR of 8% in the 2017 - 2030 forecast period. Mobile phones will become an important part of Africa's growing e-commerce phenomenon because most consumers in Africa are accessing the internet via their phones.



Source: pixabay.com

Mobile phones have also become an important promotional tool for brand owners. Mobile phones allow more targeted and more interactive advertising, moving away from radio and TV. User history and habits give useful information to brand owners for the targeted advertising.

In addition, for small businesses, like taxi drivers, mobile phones take an enhanced role from the old business card as every customer who is happy with the driver's service becomes a repeat customer for as long as the driver keeps the same mobile number. The customer can even alert the driver about his arrival time and flight before he leaves his own country. The phone also allows the driver to keep the database of all his customers as his small business grows.

Rich or poor, the mobile phone has become a ubiquitous possession for the average person on the continent, with the only difference being the functionality of the phone based on the price point.

According to Quartz Africa, Ethiopia is launching its first satellite in November 2019 (Amharic calendar), with the help of the Chinese, at a cost of \$8m. Ethiopia's space ambitions date back to 2016, with the establishment of the Ethiopian Space Science and Technology Institute ESSTI by the government as a way to fully exploit space technologies for development purposes.

Africa's tech revolution continues and Africa will be an interesting place in terms of technology for the next decade.

ABOUT RAYMOND CHIMHANDAMBA

Internationally published FMCG Expert, speaker, thought leader in hygiene sector in Africa and mobile tech enthusiast
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