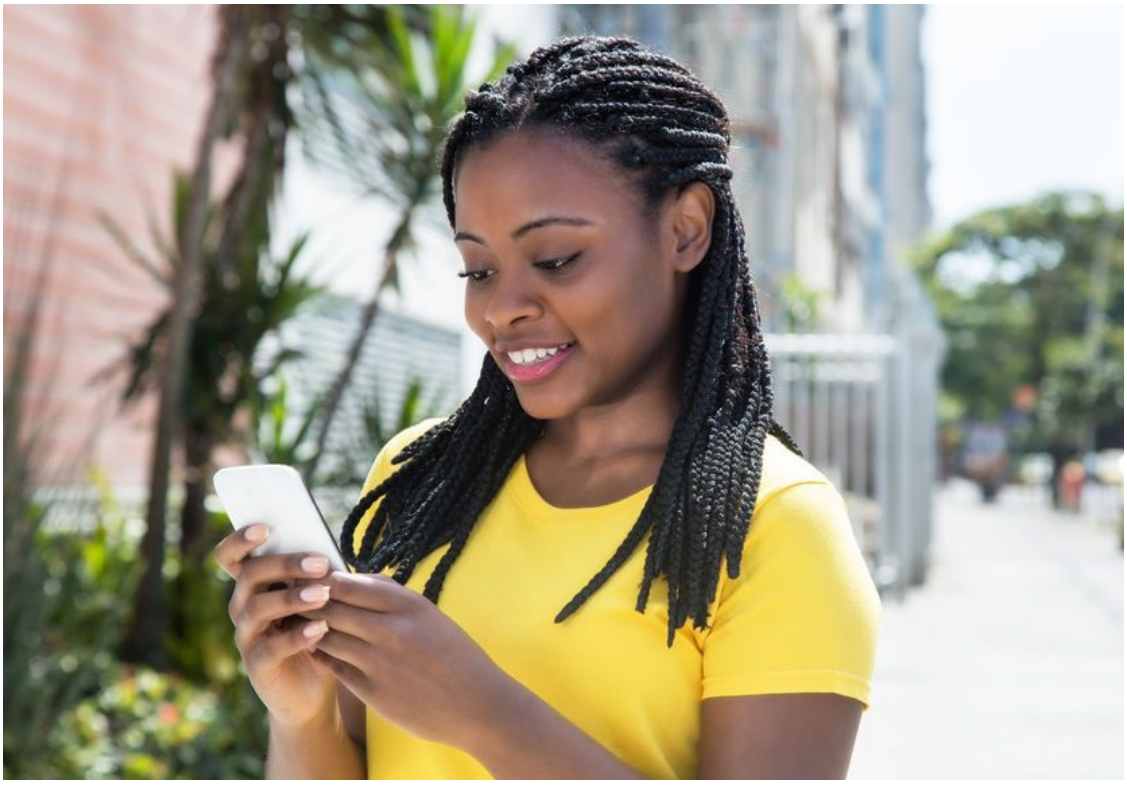
Africa and the digital tourism opportunity

Africa as a whole attracts more than 62 million tourists annually, with an average growth rate of 5% per year. Digital platforms and services are only serving to bolster the sector, with their role set to become even more important in the future.



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Such are the opportunities for digital and technology in Africa that Airbnb last year, for example, announced it will invest $1m through 2020 to promote and support community-led tourism projects on the continent. The continent has long been regarded as a mobile-first environment. However, recent years have solidified its position on the global map when it comes to mobility thanks to more affordable devices, faster internet speeds, and increasingly accessible wireless hotspots.

Whether you are in downtown Johannesburg or a bustling market in Kinshasa, mobile access has become essential. This is especially relevant on a continent where it is not always cost-effective or physically possible to roll out landline infrastructure. And while challenges such as reliable electricity and problematic water supplies are well-documented, the dynamic nature of residents has seen aspiring entrepreneurs embrace digital as an effective means of driving the potential that tourism offers.

Breaking traditions

Already, technology is doing its bit to make the sector more accessible for women.

Women already account for nearly 70% of the tourism workforce. Digital platforms have made it even easier for women to access the market and profit from an increase in tourism overall. For example, sixty-five percent of Airbnb hosts in South Africa are women. The company's initiative dubbed the Africa Academy – aimed at upskilling especially women in underserved communities – can further help to empower those who previously would have found it hard to profit from the tourism economy. This way of working is not reliant on the old-school networks so typical of men in business and offers significantly more flexibility. People with little or no formal training and no tourism background are now active in the space and stand to reap the benefits.

What used to be stumbling blocks for these individuals are now springboards to create new revenue streams. Take the sizeable unbanked population on the continent as a case in point. World Bank research has found that 66% of people living in sub-Saharan Africa do not have bank accounts. In the past, this would have been an insurmountable obstacle to overcome in terms of building a tourism business. But thanks to how mobile money has become an integral part of commerce in Africa, this is no longer the case.

In December 2016, there were 277 million registered mobile money accounts in the sub-Saharan Africa region, more than the total number of bank accounts there. Thanks to this digital innovation, entrepreneurs can forego traditional banks and credit unions and use their mobile device to empower themselves.

Building the micro-entrepreneur

This is challenging the status quo when it comes to perceptions around how business should be done. Combining the gig economy with tourism, micro-businesses and digital transformation have resulted in the development of a thriving environment where African entrepreneurs are using digital platforms to generate income.

Even though tourism operators, airlines, hotels, and other role players in the sector are starting to wake up to the opportunities offered by improved data analysis, the agility of SMEs and startups cater more quickly to fickle customer expectations.

Market expansion

If digital technology has shown organisations anything, then it is that people have come to expect more tailored services. In an industry that is focused on such a personal experience as tourism, the benefits digital provides smaller companies and entrepreneurs become a significant competitive advantage.

They use social media platforms and other freely available tools to market themselves, their products, and their countries. The days of going to a travel agent, browsing through a brochure, and getting them to make a booking are quickly becoming a thing of the past. In a digital environment, it is about using mobile applications, social media, instant messaging platforms and other digital channels to deliver a more engaging online experience that takes out the middleman.

Those living in rural areas can now market themselves and their communities through these digital platforms. And tourists are noticing, judging by the increase in visitors to the continent. The digital world provides an easier way to meet the needs of every type of tourist, whether you are looking for a luxury hotel or to backpack on a budget.