

Hyper-availability is the key to success for fintechs

By [Kate Mollett](#)

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African fintech startups have enjoyed a massive wave of investment in the last two years. But if they don't deliver on shareholder expectations, they may well go the way of the Dot.Com bubble. This is where combining intelligent data management with availability and business continuity come in.



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Whereas intelligent data management can reflect customer requirements and availability delivers on the accessibility of the services required, business continuity is the first step on the journey to achieve that level of data management. It underpins everything to ensure an environment where a fintech keeps its customers happy and ultimately drives business growth.

Africa is a mobile-first continent and in some markets mobile-only. Fintech companies must therefore ensure their services integrate all the aspects of hyper-availability to deliver true value to customers irrespective of the device used or the location they are accessing it from. There's no point innovating or building an app if it doesn't work when a customer needs it. It's that simple.

Just consider the numbers. Internet penetration on the continent is estimated to be at 35.2% with more than 450-million people being connected as at the end of last year. Considering there are 444-million unique mobile subscribers in Africa, chances are a sizeable percentage of them are using their mobile devices to surf the web and access digital services. In South Africa alone, there are more than 18-million smartphone users with the number expected to top 25-million by 2022.

Setting a standard for data responsibility

Even though fintechs have become the darlings of the investment community both in Africa and globally, care must be taken to focus on their ability to adapt to the digital environment, especially considering the ubiquity of mobile. Yes, mobile can be interpreted as just another platform to deliver services, but it is much more fundamental than that.

Africans rely on their mobile devices to access services they would not normally be able to. Think how mobile money solutions are catering to the sizeable unbanked population on the continent. Figures indicated that in 2014, 66 of people living in sub-Saharan Africa did not have a bank account. The M-Pesa mobile money solution served over 29-million active customers by 2016 across 10 countries reflecting just how important alternative and mobile-friendly options are for people on the continent.

With mobility comes availability. If services are not available and accessible, users will simply move to a competitive offering, but if the solution involves a savings bond with limited access, a customer could be tied in, unhappy and unable to switch. As such, fintech firms have an even higher level of data responsibility than online retailers. Not being able to access critical solutions like mobile money, insurance, and others, can have a significant negative impact on buying products in the fintech space, whereas if your retailer is down, you can buy that shirt somewhere else.

Generating insights to boost the experience

Once accessibility and availability are taken care of, fintechs must embrace an analytical approach to their data. With the sheer amount of it generated from structured and unstructured sources, intelligent data management becomes the component most needed for competitive advantage in a hyper-available world.

It is one thing to have access to data, but something completely different to generate demonstratable insights from it. Unlike incumbents who have a long history of client data to access, fintechs must find unique ways to deliver customer-centric solutions. They are more reliant on unstructured data (think social networking) to determine the likes and dislikes of customers. And their analysis must be done in such a way to deliver value virtually immediately to gain advantage over the incumbents.

All told, fintechs operating in Africa must embrace hyper-availability across all facets of the organisation if they are to differentiate themselves, but also to win over an increasingly fickle customer base. Often with little known about them and with small marketing budgets, word of mouth is everything. And, no start-up can afford a bad review when the currency is reputational.

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