

# BAO



BUSINESS | AFRICA | ONLINE

FEBRUARY, 2020

INTERNATIONAL  
BLOGGERS'  
ASSOCIATION

*Award of Excellence  
in Writing and Design*

Interview With  
Gareth Grobler  
C.E.O Of ICE3X

The Mangwee story

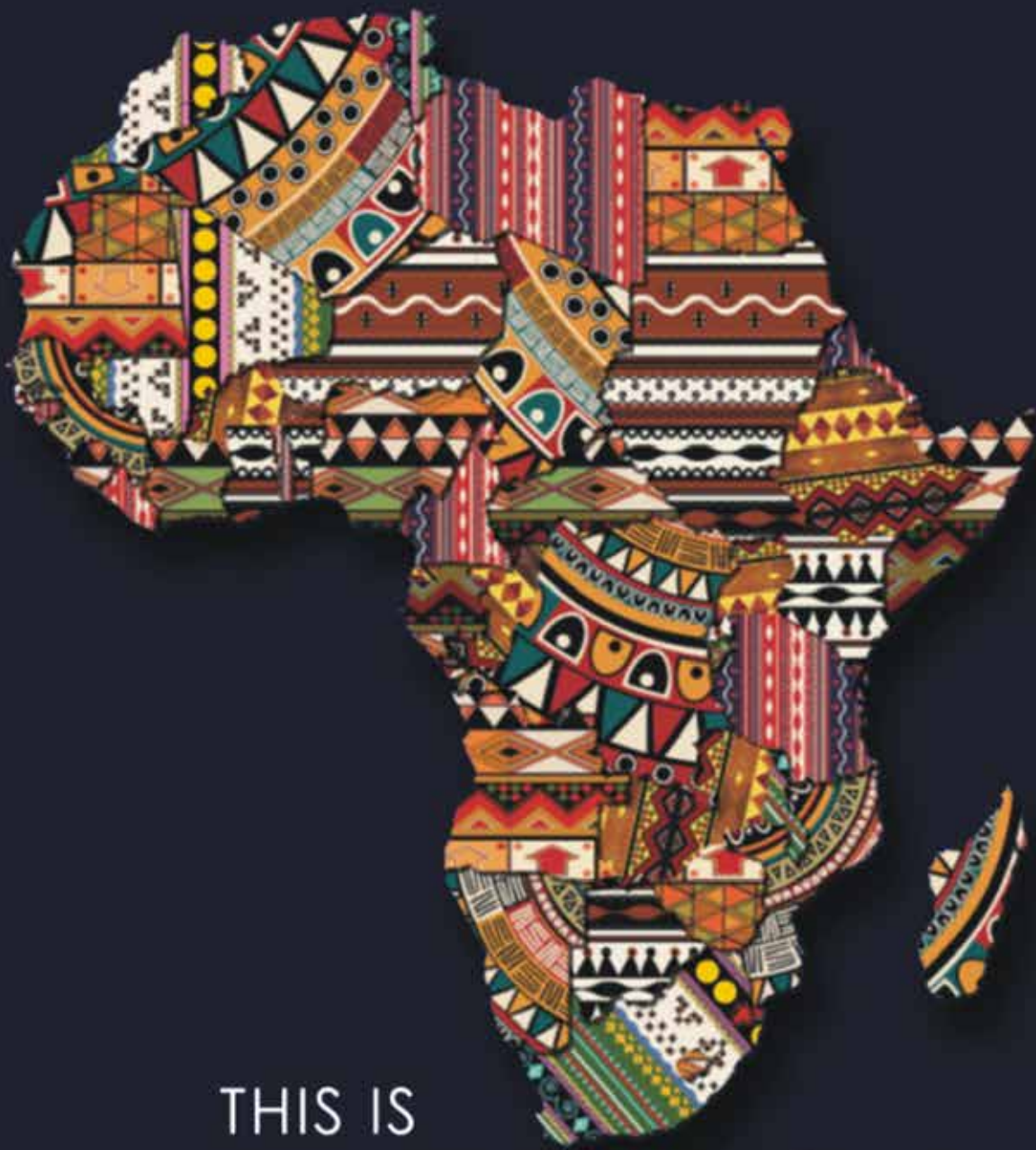
Law Firms  
Any vision for  
your practices.



H.E. AMB. PROF.

## NABHIT KAPUR, PSY.D

Ambassador To The State Of African Diaspora  
Founder Global Chamber of Business Leaders



THIS IS  
**AFRICA**

05

May's Place

13

Law Firms,  
Any vision for  
your practices?

23

How do  
businesses  
survive  
cut-throat  
competition?

31

Interview with  
Gareth Grobler  
Founder & CEO  
iCE3x

06

Business  
drive 4 her

17

African  
Harvesters

25

SAWIL  
celebrates  
International  
Women's  
Day

35

Creative  
crafting  
club

07

Interview with  
Amb. Prof.  
Nabhit Kapur

18

Invest in  
2020

26

Africa  
dominates  
Crypto  
searches

36

5 Reasons i left  
the western  
world and  
moved back  
to Africa

11

The  
Mangwee  
Story

20

Family owned  
businesses

29

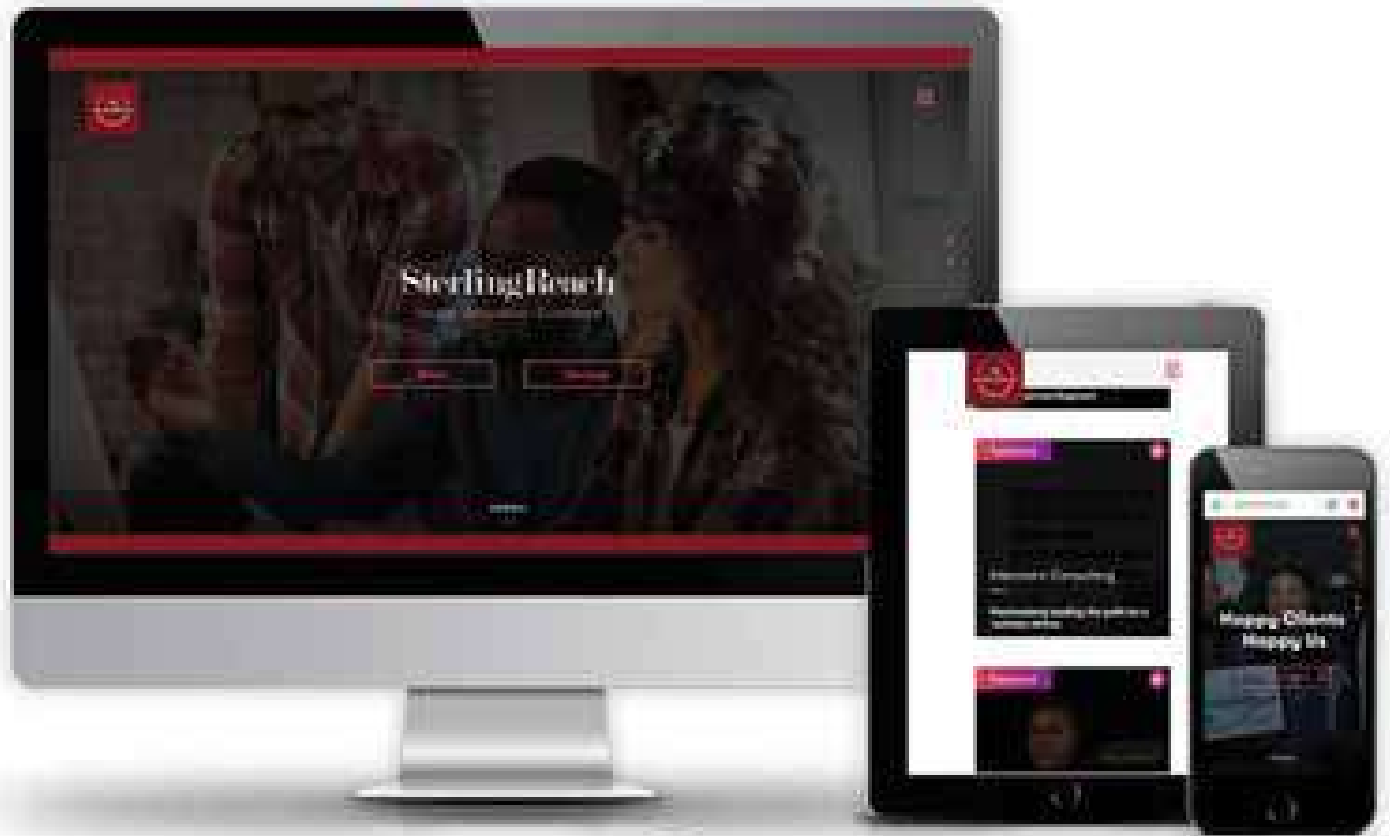
United Africa  
blockchain  
association

38

African countries  
dominating the  
Afri-commerce  
space

SR  
SterlingReach

• Insight • Innovation • Excellence



*We are  
The Start ups  
& SMEs  
Choice*

*Web*

*PR*

*Marketing*

*Advisory*

*E-reputation*

*Content*



+234 8137010250  
+2348096365657



alaba@sterlingreach.com



www.sterlingreach.com



*Sharing love  
with a box of*  
**Donut**

Valentine's day is an international festival that celebrates the feeling of love. saint valentine's day is celebrated each year on the 14th February and marks the death anniversary of one of the christian legends, saint valentine's day has especially come to become a day made for lovers. even in the media, valentine's day is portrayed as a day meant for lovers.

*Does being single on valentine's day mean you can't participate in the one day a year set aside to celebrate love? Absolutely not!*

It is a day to express love and that love can be for anyone not specially for a lover. This year you have the unique oppourtunity to share love in doughnut boxes with your friends, neighbours, colleagues at work, even a crush. Let everyone know you love and appreciate them. Try something out of the ordinary to bless your friendships by hosting a valentine doughnut party! Invite a group of your friends, associates and acquaintances to your house, set the table, eat gazed doughnuts as you catch up and sip cups of juice.

Let's embrace this love-filled holiday with our besties, colleagues, neighbours and remember to show kindness, cherish our relationships and to bless them.

looking for a way to brighten a friend's day right now or on valentine's day? please reach out to may's place here: 07089925215 on mays\_place on twiter and instagram. we sell yummy glazed doughnuts made with extra love, the doughnuts are dipped into luscious chocolate/cream to create the creamy layers of glazing generously topped with a wide variety of the finest chips. They come in properly packaged boxes and there's an extra box for every box purchased this February. we all deserve love enclosed in doughnut boxes this valentine!!!

**Aina Oluwafemi**  
Founder, May's place



# Business Drive Her

4 

x Workshops

-  **16 States**
-  **6,000 Women**
-  **30+ Centers**

Apply here: [bit.ly/BDFHer](http://bit.ly/BDFHer)

**For Enquiries:**

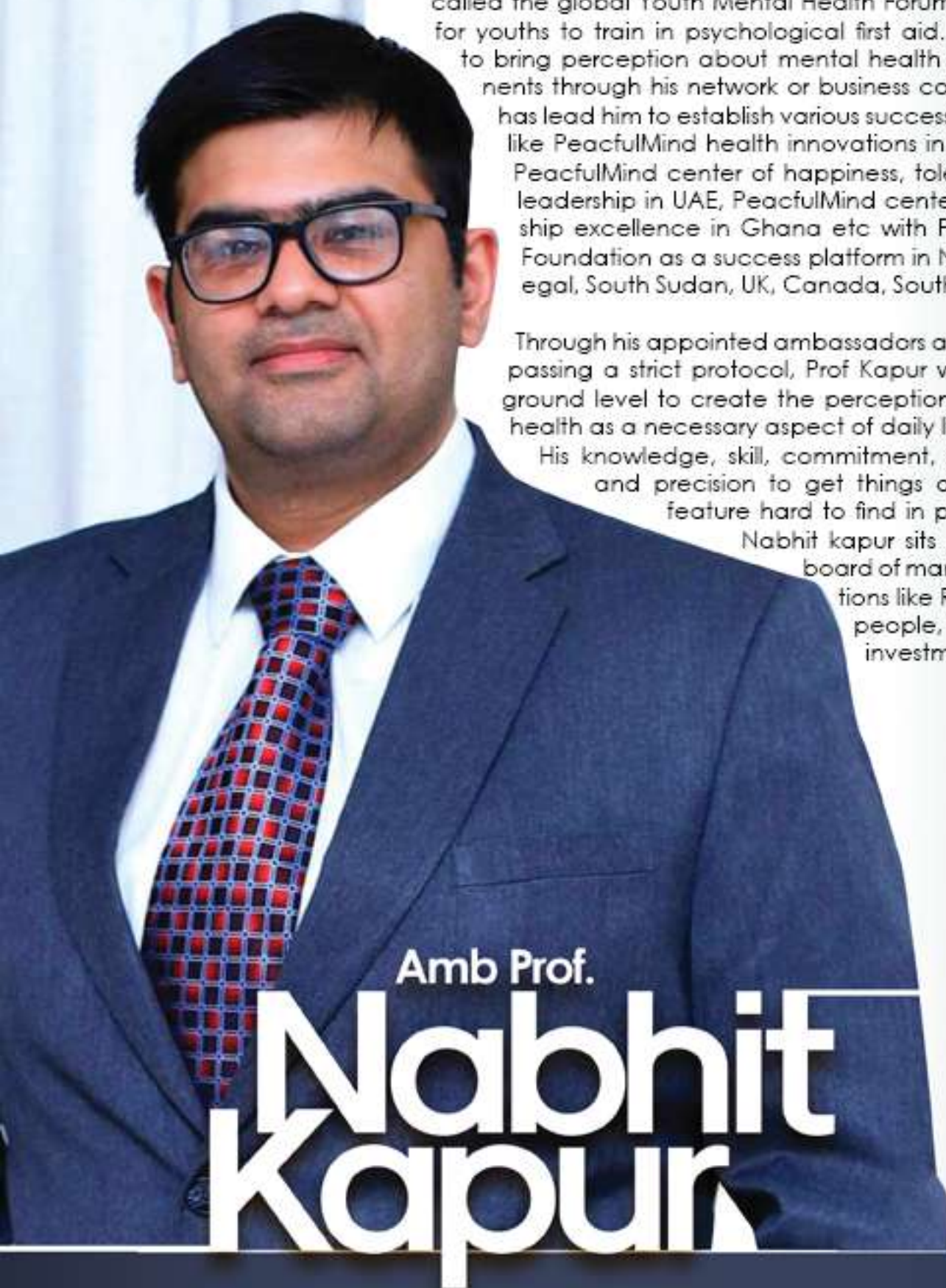
09082604087,  
09052477213  
[info@visionctrl.com](mailto:info@visionctrl.com)

**PARTNERS:**



## Profile

BUSINESS AFRICA  
**ONLINE**  
INTERVIEW



**A**mb Prof Nabhit Kapur is acclaimed as World most influential Psychologists by the FAAVM-Canada. He is the Founder President of PeacefulMind Foundation. Prof. Nabhit Kapur is also the founder of Global chamber of business leaders and had been applauded for establishing one of the most successful Mental Health forums in the world called the global Youth Mental Health Forum, a platform for youths to train in psychological first aid. His passion to bring perception about mental health cross continents through his network or business collaborations has lead him to establish various successful ventures like PeacefulMind health innovations in Zimbabwe, PeacefulMind center of happiness, tolerance and leadership in UAE, PeacefulMind center of leadership excellence in Ghana etc with PeacefulMind Foundation as a success platform in Nigeria, Senegal, South Sudan, UK, Canada, South Africa etc.

Through his appointed ambassadors and directors passing a strict protocol, Prof Kapur works at the ground level to create the perception for mental health as a necessary aspect of daily life.

His knowledge, skill, commitment, consistency and precision to get things done is one feature hard to find in people Amb

Nabhit kapur sits on advisory board of many organisations like Reset global people, TAFFD, UCI investments etc.

Amb Prof.

# Nabhit Kapur



***How does your foundation measure its impact?***

The work on mental health or brining well-being and happiness through the global chamber of business leaders is measured by the quality and quantity of people who are joining us or willing to join us every month. More members want to represent the core values of Peacefulmind foundation in every area and region. Recently we received 537 applications who want to be a member or director of Peacefulmind. People's feedback is measured by their willingness to work with us volunteering.

***Could you briefly tell us about yourself?***

Amb Prof Nabhit Kapur is acclaimed as World most influential Psychologists by the FAAVM-Canada. He is the Founder President of PeacefulMind Foundation. Prof Nabhit was also nominated as the first non African Ambassador designate to the state of African diaspora (AU 6th region). He was named as the most influential friend of Africa by business in Africa magazine in September 2019 and was appointed as the Social impact advisor to Vice President of Liberia. To his achievements viewing his passion for peace and happiness through mental health awareness he has received more than 200 recognitions worldwide.

***Tell us more about Peacefulmind Foundation and its impact in Africa?***

PeacefulMind Foundation (PMF) is a global organization registered with United Nations (U.N.) Global Compact based in New Delhi, India. The foundation is present in more than 36 countries across the world. Embarking its vision i.e., "To make psychology a household term". We have established a wide range of network in Africa and have appointed directors and coordinators who work in team and conduct wide range of training programs on the vision of the foundation.



Prof. Nabhit Kapur felicitating with the prime minister of ugada





Prof. Nahbit Kapur speaking with the vice president of Liberia

***How do you feel as the first non African to be appointed the Roving Ambassador to the State of African Diaspora (AU-6th Region)?***

Well honestly at first i was really surprised and happy but then I realised the responsibility given to me with the trust from the prime minister and cabinet. I have started the activities relating to my job profile getting connected to the Diaspora and getting them involved in continent. Various initiatives so far conducted by me were connecting business houses who would provide mentorship programs to students, nominating ambassadors to the Diaspora who could support its vision etc.

***What are your achievements since your appointment?***

As mentioned above working for the African Diaspora (AU 6th region) is like a huge responsibility. The major achievements since my appointment is

- Nomination of 3 ambassadors and advisors on board
- Providing scholarships to African Diaspora for education
- Creating a mentorship program for students and young entrepreneurs by connecting them with business houses
- Representing the African Diaspora state at various platforms
- Building up the Diaspora chamber of commerce and business

***Kindly share your major projects in Africa?***

Towards Africa I have been working through my organisation Peacefulmind Foundation and now through Global chamber of business leaders. We are also now setting up a new project "Global Impact Africa".

Major projects which I had done and still continuing

- Mental health and wellness training programs.
- Connecting various investors to the African land for example various investment companies where I am on board
- Initiated a project called power life energy giving way for solar energy in the continent.

- Distributes as many as 3000 scholarships to students willing to go for vocational training
- In process the project called "global impact Africa"

### ***What are the challenges and how are you overcoming them?***

Well obviously whatever new comes always has its hurdles and nothing comes easy in life. Even taking the first step is always a challenge but as soon you get in the process the path itself becomes clear. The challenges I faced was new continent and no guidance as to what to go for. I started exploring researching and reaching out to people, building my own network and my own team. Communication and outreach has been a great help and as my network started to develop I moved deeper into Africa.

### ***How are you telling the African story in the Diaspora?***

As the recently appointed non African or not even from the African decent I have a view of the continent from a third angle. My visit to Africa started with Malawi and then from there it kept on growing. I must say it's a continent; underestimated, overly dominated and underutilisation of youth energy. Africa has the largest number of youths and huge amount of potentially to invest in entrepreneurship's, startup's and youth resources.

### ***What is your view on governance in Africa? Any advice?***

Any government sustains on the policies it frames upon which the people or a country is governed. It's a very mixed view on the governance style in Africa. According to me as much as I have studied the style should be changed and more young faces need to come forward as I mentioned Africa is the land of young. Leaders to believe more in nurturance of the continent and less of domination.

### ***As the President of the Global Chamber of Business Leaders, how are you connecting African business leader to the world?***

Global Chamber of Business leaders is a platform we are creating to connect various businesses houses and established business entities with young entrepreneurs. Through the chamber we are also getting engaging investors to serious business opportunities towards Africa and also giving them a different outlook towards Africa. The global chamber has a diverse and wide group of advisors on board which gives a diversified and a global outlook to the chamber.

### ***What is your advice to African youths and entrepreneurs?***

Entrepreneurship is not a one day game. We need to be more thick skin and think out of the box. Leadership skills and ability to survive on hope is another true feature of an entrepreneur.

# THE MANGWEE STORY

**M**angwee is a mobile money transfer platform aimed at increasing the rate of financial inclusion especially in rural areas and propelling Zambia and Africa to cash-light economies this is done through the provision of an easy secure and affordable payment platform. The Mangwee platform is not just a mobile money transfer platform but an ecosystem of applications aimed at making people's lives easy. We have an assortment of innovative applications targeted at improving the lives of the Women, Farmers, Youths and people who are excluded from accessing financial products and services.

Launched in May 2018 after being issued with a designation license by the Central Bank of Zambia, Mangwee provides a range of services including online payment gateways, bill payments, and mobile money services. Mangwee Chief Executive Officer and Cofounder Inonge Imasiku Kampamba started Mangwee with two other Cofounders with a vision for the unbanked to provide them with a quality payment system that is secure and affordable.

Mangwee promotes the use of user-to-user transfers, which it hopes will increase the adoption of mobile money in Zambia. To date Mangwee has registered over 2000 users and has recruited 36 agents who are operating around Zambia. Mangwee charges a fee for every transaction processed on the platform and agents earn a commission for every transaction they successfully process on the platform.

Over two years Mangwee has been in operation, Mangwee payments has gained local and global recognition as a disruptor of electronic payments. The Zambian startup was selected to represent the country at the Women In Africa (WIA) 54 Project Third Annual Summit Edition, which took place in Marrakech on 27th & 28th June 2019 led by the Startup CEO Inonge Imasiku Kampamba. Currently Mangwee has a woman empowerment programme dedicated to empowering women especially in rural communities giving them access to finance and tools to help them set up their businesses.

**In November 2019 Mangwee signed a partnership with an NGO based in France and Benin called Hironnelle de l'Avenir to pilot a Women Empowerment Program in Zambia which will also be implemented in Benin. The project is justified by the fact that the majority of women are excluded financially because they lack collateral and stable sources of income.**





# THE MANGWEE STORY

In January 2020, Mangwee was among five Zambian startups that were selected to take part in the FinTech4U Accelerator Programme, which offers prototype funding and access to mentors and business support.

The programme was launched via a partnership between the United Nations Capital Development Fund (UNCDF) and Lusaka-based incubator BongoHive. The six-month programme, is broken up into three months of dedicated programme and three more of business support and prototype funding.

Mangwee currently has a team of five employees who are professionally qualified in Finance, accounting, information technology, business development and marketing.

# LAW FIRMS:

**Any Vision for Your Practices?**



**T**he age-old dispute whether Law is a noble profession or a business has been long laid to rest. Law firms are set up for the practice of law and to render legal services, just as hospitals are set up to render medical services. However highlighting the importance of the administrative and business aspects of the law profession does not diminish its nobility. There is the professional aspects and the business aspects of the law. Only a well-run business can be an efficient and successful professional firm. Law is both a noble profession and a multi Dollar business.

The Financial reports (2018 gross revenue) of a few law firms sufficiently attest to this fact -Kirkland & Ellis USD 3.76 billion, Latham & Watkins USD 3.39 billion, Baker & McKenzie USD 2.9 billion; DLA Piper USD 2.84 billion, Dentons USD 2.42 billion. Wachtell, Lipton, Rosen & Katz's turnover in 2018 -USD 763 million; \$6,530,000 in profits per equity partner. Kirkland & Ellis profits per partner \$5,037,000; Latham & Watkins \$3,452,000, DLA Piper\$1,757,000. The sizes and corporate structures of these firms also underscore the importance of the business and administrative aspects of law practice. In the UK despite the uncertainties of Brexit and the much touted impending recession, The Lawyer (a UK based legal research magazine) - reported that well-managed law firms continue to thrive in their practices and benefit from new opportunities in the UK. The research magazine published the 2019 gross rev-

enue of 200 top UK law firms - DLA Piper was at the top of the list with a revenue of £1.946 billion, followed by Clifford Chance £1.693billion, Linklaters £1.628billion, Allen & Overy £1.627 billion, etc.

Coming home to Nigeria, though we are bereft of statistics on law firm, the financial value of a few reported legal transactions sufficiently proves that law is both a profession and a business.

## The Business of Law

From the business of law perspective, a law firm is made up of a group of people working together to deliver legal services for profit. A law firm is a vehicle formed to earn profits that will increase the wealth of its owners, all stakeholders and the community in which it operates. A law firm is an organized effort or activities by lawyers working together to provide legal solution with the intention of building a going concern, an enduring entity. From the business of law perspective, a law firm is a professional service that must be taken to the market (consumers); therefore it is subject to the market forces of supply and demand. Consequently sound technical knowledge alone - howbeit in Latin and English (Certiorari, Ad litem, Habeas corpus etc.), legalese, wig and gown, the gavel, and other sacred ornaments of the legal profession alone does guarantee the success of a law firm.

A Law firm should be run on sound business skills, knowledge and practices to ensure

its financial sustainability. No law firm can survive and thrive without the combination of multi-disciplinary skills and professionals - which the changing aspects of law practice today demands.

## Front or Backend?

Every business has a frontend and a backend. Law is no exception. There is the professional aspects and the business aspects of the law practice. The professional aspects - constitutes the frontend and the business aspects constitutes the backend. Is the frontend of a business more important than its backend? Can the backend be overlooked or compromised without consequences? In business, the quality of the backend heavily impacts the frontend.

What constitutes the backend of a law firm? The "messy little details" like Human resources - people or talent management, recruitment, retention, training and development, welfare, compensation, performance management, career progression and development, succession planning. Office Acquisition, facilities management, space planning and ergonomics.

*Strategy* - visioning, policy formulation, goal setting, mission and objective. Procurement, Logistics, operations, file management. Library and knowledge management.

## ***Business/client development –***

value proposition, branding, website, social media, market collateral – brochures and newsletters.

***Finance*** – budgeting, profit drivers, pricing, fee setting, billing and collection, cashflow management, tax, insurance, cost control and internal audit.

## ***Governance and structure. Information technology –***

Practice support systems; Computer hardware and software systems, Electronic privacy issues, Disaster management and Business Continuity Processes, Document and Knowledge Management Systems, Artificial Intelligence, disruptive innovation like the commoditisation of legal services Etc.

# **The Balancing Act**

Many law firms struggle with balancing the professional and business aspects of running their

practice.

Law practice have some inherent peculiarities that may pose as road-blocks to running a successful business. For instance, law firms are usually populated with very intelligent, opinionated and individualistic professionals. Independence is highly prized by lawyers. This is not a bad thing in itself but it can make governance a nightmare.

Also, law firms can have highly politicised internal structures and decisions are usually consensus driven, which again, can make governance a nightmare. After “all said and done,” nothing is usually done because lawyers can have a particular strong aversion to taking directions—and management and administration is usually about directing, planning, innovating. Law firms can be individual client focused, with power usually based on client/ revenue generation which is dangerous for firm cohesion. Another threat to law firm cohesion is the argumentative, competitive, adversarial and even sometimes combative tendencies of lawyers.

Further, law firms usually are short-term focused, bottom-line focused and with poor investment mindset.

In addition, it has been observed that lawyers are usually risk adverse. Another peculiarity is that most law firms have few role boundaries. It is typical to find lawyers in firms who want to be the accountant, admin manager and human resources manager at the same time.

Even some partnerships do not have and respect clearly defined roles. Unclear roles are the recipe for confusion in business. Importantly, running a successful business requires a lot of creativity and nimbleness. Law firms however are usually bound by precedents, are conservative, intolerant of mistakes – are trained to detect mistakes, impatient and pressurized because of deadlines. All these stifle creativity which is essential for business sustainability.

# **From the Back Office**

From the Back Office will be focused on Law as a business.

My name is Joy Harrison Abiola, I have spent 21 years at the backend of law offices and have made some very interesting observations. Also, through the years, I have had the privilege of interacting with non lawyer (some lawyers) colleagues both in Nigeria and abroad who like me have spent years at the backend of law offices.

These very seasoned business support professionals have shared their frustrations, observations and war stories that have helped in my journey. So I will be showing on this page what constitutes the back office of a law firm and how it can be effectively harnessed to make a law firm successful and sustainable.

## The Trouble with vision

A few years ago, I visited the back office of the 11 th largest law firm in Boston USA –

Burns & Levinson at the invitation of its CEO. I spent a couple of days and had the privilege of sitting down with one of its founders and of course my question was about Vision. What inspired the setting up of the firm in 1960? The “old man” gave me some very interesting perspectives on how they have navigated the very rocky American law business terrain for 50 years holding unto their vision. What is vision? Is there a relationship between vision and law practice? Does a vision drive a law firm or not? Is vision essential to the survival of a law firm? Who gets the vision? Is it essential that the vision is written and documented somewhere for easy reference? Who drives the vision? How is a

vision communicated? Is it possible for a law firm to operate without a vision? What is the vision of your law firm? Where is your law firm going? How far do you want to take your law firm? What will the destination look like? How will you know when you get there? A vision is an inspirational and aspirational destination on the horizon. The trouble with vision is that it is the thing lawyers typically omit to do when opening their law practice.

Law firms ignore to articulate a vision for their firm. You find vision in very few law firm websites or marketing collaterals.

Meanwhile, Vision, if well crafted contributes to your brand – it has a way of carving out an identity for a firm – what it does, what it wants to become and what it believes in.

Another trouble with vision I have observed from the back office is that even when a law firm articulates a vision, the vision is not translated to a shared corporate vision. Most lawyers lack the skill or the will to do this.

*Why is vision, mission, values and a strategy document vital in business?*

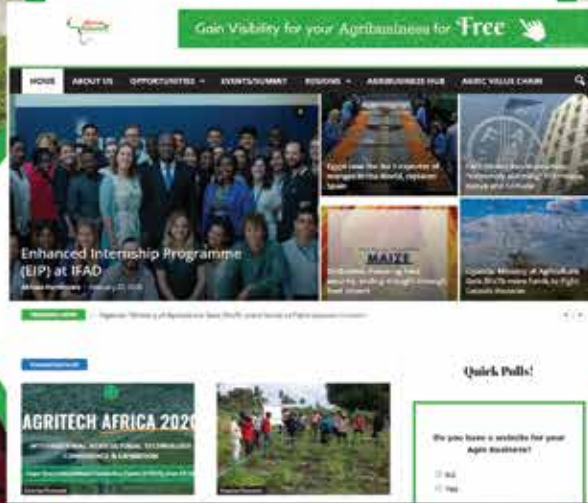
The short answer is that without these, there is no direction, or there are several directions and confusion and wastage of resources follows. A good vision articulates the firm’s ultimate goals and objectives in a way that inspires and moves the firm in a specific direction.

Any law firm that ignores this will do so at its detriment. A law firm that is serious about growth and success will pay attention to corporate visioning.



By: **Joy Harrison-Abiola**  
A leading Legal management professional and the law practice administrator of adepetun caxton-martins agbor & segun-ACAS law





## African Harvesters

is an agribusiness hub about african agricultural stakeholders in the agricultural value chain (farm to table) we focus on the enhancement of agriculture as a business-agribusiness through the use of media and information communication technology (ICT)

### our services :

- Agribusiness media and marketing
- Digital agriculture platform
- Consulting
- Agribusiness development

Contact us:

**+2348180987276 +2348024032969**

serah@africanharvesters.com

hello@africanharvesters.com

www.africanharvesters.com

@africanharvester



# Invest in 20 20


New year, new resolutions! At the start of each year many of us take the time out for the important task of goal setting for the year. A general tip is remembering that our quality of life is not normally determined by knocking off one huge goal in a year; but by making steady progress on small, achievable goals over a long period of time. Our ambitions often include financial goals, given the impact the state of our finances has on our day to day living standards.

- Common financial goals include things like:
- Becoming debt free;
- Improving credit score;
- Create and stick to a budget; and
- Saving.

All these goals are fantastic and can lead to a better life by increasing your disposable income and funds available for emergencies or goals, but we'd like to challenge you to include one other powerful financial goal this year- INVESTING!

## Why Invest?

Investing is important for several reasons, most important of which is that it builds real wealth. This is mainly due to two factors: the first being because the returns you make on your investments commonly exceeds the rate of inflation over the long term. A former American president Ronald Regan once said, "Inflation is as violent as a mugger, as frightening as an armed robber and as deadly as a hit man."

An illustration of a hand in a red sleeve dropping a gold coin into a glass jar. The jar is filled with several gold coins and green banknotes. The background is a light teal color.

Inflation erodes the value of one's earnings and savings over time; when your rate of return is higher than inflation it not only protects the value of your money but makes you better off financially. Added to this is the powerful effect of compound growth. Compound growth refers to when one earns additional returns from reinvesting your prior returns i.e. making more money off the money you earned from your investments. Over the long-term compound earnings significantly increase the rate at which you can grow your asset base.

At this point I'd just add that if you have high interest rate debt, it is generally advisable to prioritize settling those debts as interest rates can be higher than the return one could earn on investments – this is usually the case, but specific circumstances need to be taken into account.

According to Old Mutual's Long-Term Perspectives, investing in shares as an asset class has proven to be the best way to create wealth over time, as equities have consistently been amongst the best performing asset classes. Investing in equities remains the best way to build wealth and importantly ensure one reaches retirement with enough money. For example, 1 dollar invested in Berkshire Hathaway when Warren Buffett became CEO, would be worth around 7,000 dollars about 50 years later. Invest-

ing, and compounding, really are powerful when done correctly.

The main reasons people hold on to cash rather than investing in shares is the fear of losing money. This is also a key reason people stay away from investing in individual shares. Credible allegations of fraud and dishonesty by management is one of the main causes of severe irrecoverable losses in company share prices. There are many recent cases on the JSE like Steinhoff, EOH and Tongaat Hullett. Even where a company recovers, when one factors in the value of time and opportunity cost it becomes clear that investors still lost out. Investsure's investment insurance product protects investors from exactly these types of losses; enabling investors to transfer this hard to assess investment risk to a trusted insurer. So there is a way for you to benefit from investing in shares without having to worry about suffering large losses due to fraud committed by management.

Good luck with your New Year's resolutions this year and remember – Invest Safely!



**Mbulelo  
Mpofoana**

*co-founder, InvestSure*



# Family Owned Businesses, SMEs Fail Because Of No Succession Planning

Mark Edward Allinson



Small Businesses are the future of Africa. This sounds like a bold statement because when we think of small businesses or our family businesses, we think of our "tuck shops" and "Misika" and the "bottle stores" that we find across the sparse savannah. And the concept itself sounds like a laughable concept built on dreams.

However, closer inspection of this fact proves that it is these small and humble beginnings that have made the huge corporations that we know today. It is family businesses that have their foundations built on value systems, and the

financial dreams of families (to be independent and build wealth for future generations) that have built nations.

**I**n Africa, the dream of enterprise and entrepreneurship has been dashed, by what has been dubbed by many as "generational curses," where family businesses seem to run to ground as soon as the founder passes on and the financial freedom of the family gets buried with the founder of the business.

A staggering statistic shows that the majority of the world's wealth is created by family-owned businesses. 85% of start-ups worldwide are established with family money (FFI Global Data

Points). Estimates suggest that businesses that are majority-owned by a single family's members contribute to 70-90 percent of the world's GDP (Tharawat Magazine, Volume 22, p. 36)

New business is fueled by family involvement. And family business is within the category of micro, small, and medium enterprises (MSMEs) globally, whether in Africa, South America, Europe, Asia, and the USA. However, some family businesses are large multinational corporations that operate in many countries such as Ford Motors and McDonald's, which originates from the USA.

The survival rate of most African family businesses beyond the first generation is extremely low. It has been found that globally 33% of family businesses have survived past the first generation (the founder) onto subsequent generations. However, in Africa, only 2% of family businesses last past the first generation.

You may be wondering how this applies to you and your business. If you are a business owner, then you should be very concerned when you hear of such statistics. It means you may fall under the 98% of failed family businesses that are currently on the continent. Your company may be making money at this moment, but if you have not started planning for your SUCCESSION plan, then it is 98% guaranteed that your business will no longer exist once you exit that business, either by incapacitation, illness, retirement or death.

How so? Simply put; as a business owner, your responsibility is to start planning for the life of your business after your departure from that business. This further simplified means that you must see a future in your business where you are not managing it or involved in the day to day running's of the business. Yes ... After you. At some point in the life cycle of your business, you have to be outside the everyday running of the business, allowing it to grow independent. You have to make yourself useful as either a chairperson who oversees the vision or completely walk away and allow others



to take the lead.

To most SME founders, this seems like impossibility, and indeed it is if you do not plan this properly and use the right tools to get to this momentous event.

A business is not its owner, and the two must be separated. The owner is similar to a dotting parent who is nurturing their child to become independent. However, we have found that in the African business space, SME business owners have made their businesses extensions of themselves and their egos. Which, in turn, leaves the business unable to grow.

Some Red Flags that you should know about that are crippling your business may include:

- **The lack of official operations manual for any of your business functions**
- **No set formula or method to your activities**
- **Your business Values, Vision, Mission are just words on your brochures but do not form part of the culture of your organization**
- **You have no Values, Vision, Mission**
- **You are the sole signatory to all accounts**
- **Only you know your major suppliers**
- **Only you know and handle your major customers**
- **If you are ill or traveling your business is closed, or certain functions cannot be done.**

- **You don't trust any of your staff.**
- **Your staff do not trust you.**
- **Your family members who are part of your business are not qualified or trained (You are just helping them out).**
- **Your children or spouse are not involved in your business, and you are the only person who is interested in the business.**
- **Your Company Directors are just family members who you put on the paperwork, but they know nothing about your business.**
- **You are not quite sure what your company structure means, and the various registration documents came standard with registration.**
- **You have a Will, and you believe this will protect your family and your business.**
- **You do not have any written plans for your business.**
- **Your business and personal finances are the same.**
- **Your business has no governance structure.**

Over the next few weeks, we will unpack the SUCCESSION of small businesses and the steps that must be taken to secure this future. The first most crucial step you have made is to be in business.



## Tsitsi Mutendi

is a Family Business Expert specialising on Family Governance. She is the Founder, African Family Business Association, AFF – African Family Firms.

At first glance, you may feel that you have already failed and that your business may never reach the heights reached by the huge corporates that you now see across the world. However, Africa has significant success stories similar to Econet, Pick and Pay, and Dangote. These businesses were started by families, and that started as small operations providing goods and services to their communities. But as they started envisioning the future of businesses, they also secured the futures of generations in their families.

And with the right planning and direction, your family Business could be the next corporate giant.

You are the person who will make this happen.

HOW DO BUSINESSES SURVIVE

## CUT-THROAT COMPETITION?

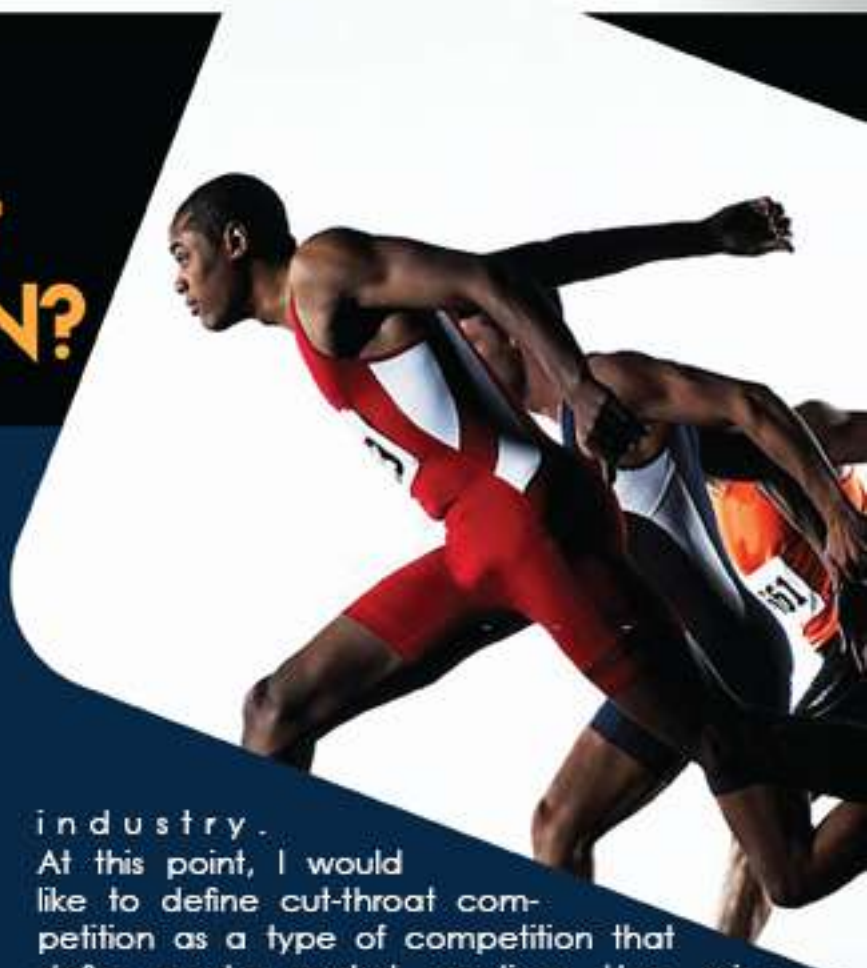
**S**ometimes there are more questions than answers. I once went to a meeting with an important partner to negotiate a deal; we discussed the benefits for both parties and agreed on the value proposition. Still, when it came to pricing, objectivity and rationality were placed on hold, because my product was "insurance". It was to be priced like a commodity with "no cost of sale". In his words, "if you do not agree, I will call another insurance company and tell them to beat your price, then call another insurance company to beat the last price...the industry is racing downwards, and we would help them". The story ended well because we had built a reputable record of service delivery; there's always a place for relationship management in business. The experience left me with a lot to ponder on. The critical question being, how do businesses survive cut-throat competition?

I do not have scientific research to back up my recommendations, but they come from a place of practical experience. Businesses are similar to biological forms. In the words of Charles Darwin, "It is not the strongest of the species that survives, nor the most intelligent but the one most responsive to change". At this point, I would like to define cut-throat competition as a type of competition that defies regular market practices. Here pricing is not subject to the laws of demand and supply, cost of production etc., instead it is focused on driving revenue as a means of survival for a large number of players in the

industry.

At this point, I would like to define cut-throat competition as a type of competition that defies regular market practices. Here pricing is not subject to the laws of demand and supply, cost of production etc., instead it is focused on driving revenue as a means of survival for a large number of players in the industry. Until the situation normalizes, it is crucial to treat your business like a portfolio, where you have clear investment objectives with different scenarios and expected returns. This implies that in some scenarios you break even and in others you make calculated losses (this should be very minimal with salient benefits such as gaining or retaining market share), or you make a good profit. If done well, the result should be an upward trajectory for your business.

**In treating your business like a portfolio, you need to do the following:**



### **Know your Cost Price:**

For people in manufacturing, logistics, trading etc., this could be very easy, but it gets difficult as we move towards the service industry. Some service companies need adequate data and actuarial inputs to determine their cost price. Once this is acquired, you can then make informed decisions about price structure and determine the contribution margin.

### **Create your Niche.**

#### **Innovate:**

There is a saying that goes thus, "It is foolish to keep doing the same thing but expect a different result". You need to build unique capabilities to set your business aside from the pack. No matter how crowded a place is, there are still people that would stand out. I say this often, "There is no saturation in differentiation". Differentiation gives you an advantage not just in pricing but in customer acquisition, sustainability etc.

### **Drive Efficiency and Build Scale:**

There are several ways to achieve this. Some include building optimal processes, reviewing your distribution approach, re-designing your operating model, man-power enhancement and optimization, cost management, utilizing technology as an enabler, building partnerships, leveraging on platforms etc.

### **Product Optimization:**

This may involve creating varied versions of the same product. It may be a "no-frills" version of your solution or bundling your solution with a variety of complementary solutions. Product optimization should be a product of customer and market interaction.

### **Stakeholder Engagement:**

The players in the industry can come together to decide fair pricing. This typically works better in a regulated industry. The regulator is empowered to set a minimum price for the industry, which would be more favourable to new entrants and fringe players. The decisions of these regulators often lead to mergers, acquisitions, etc. within the industry.

### **Compete:**

This involves the use of all capital, emotional, technical, relational, intuitive, network, and physical leverage within ethical and legal confines you may have at your disposal to put you ahead.

I am open to learning from people who have been in similar situations. Let me know what you think. Kindly share your inputs, recommendations or comments.



**Oladele Akinsanya**

(Head, Retail Division, Custodian and Allied Insurance Limited)





Si Luvuno - Social Media Profiler, One Networx



Rosemary Jairo Chambe - Deputy High Commissioner, Tanzania



Thuli Zulu - Chief Executive, Crea8 International



Gcobisa Qupa - MD, Siseko Financial Solutions

SAWIL celebrates International Women's Day  
08 MARCH 2020, HOUGHTON GOLF CLUB



Nicky Verd - Author, Disrupt yourself or be disrupted

*Brought to you by*



**R350**  
**rsvp: leadership@sawil.co.za**

**Or visit [www.sawil.co.za/events](http://www.sawil.co.za/events)**

**#IWD2020**

**#EachforEqual**

# Africa dominates crypto searches,

Demonstrates huge potential for uptake of blockchain technologies.

**I**t is becoming more apparent that crypto markets will grow exponentially and not only in financially sophisticated markets with secure internet connection, high mobile penetration rates and a highly skilled labour force but even more so in developing countries where the use of cryptocurrencies for remittances, ecommerce and payments is more out of necessity than choice. LocalBitcoins and Paxful are peer-to-peer Bitcoin trading platforms that are popular among crypto users in Africa connecting as buyers and sellers. Despite recent setbacks such as the announcement by LocalBitcoins that the entity was suspending user accounts and implementing geo-restrictions in Ethiopia, Ghana, Botswana, Tunisia, Libya, and Nigeria, uptake of these new digital assets is still on the rise.

We've seen a lot of positive sentiment this year and a spike in interest in all things blockchain and cryptocurrency related. Google trends shows Nigeria and South Africa as the top countries in the world with the highest searches for terms such as Bitcoin. Uganda is also among the very top of the list of countries worldwide with the highest search interest in cryptocurrencies. Searches for blockchain are also on the rise worldwide with countries like Ghana leading the search traffic. "This in addition to on-the-ground proof of interest makes us as the United Africa Blockchain Association certain that the future for deploying blockchain technologies in these key African markets is bright. Our first blockchain community engagement event for 2020 had over 200 attendees," explained Grey Jabesi, UABA's biz dev director and host of the Survival Skills podcast.



Africa to dominate crypto markets in the future? A closer look at the facts:

- By 2025, nearly two-thirds of the estimated 303 million African households will have discretionary income.
- Africa Annual report by Omico Group expects consumer spending on the continent to rise to US\$1 trillion by 2020.
- Consumer expenditure on the continent has grown at a compound annual rate of 3.9 percent since 2010 and reached \$1.4 trillion in 2015. This figure is expected to reach \$2.1 trillion by 2025, and \$2.5 trillion by 2030.
- In sub-Saharan Africa, annual growth rate is expected to average 12% through 2035.

- In Africa's eight largest markets, private consumption is expected to grow at 5% a year (in real terms) to \$1.25 trillion in 2025.
- By 2025, almost half of Africans will be living in cities and mobile penetration - currently over 950 million mobile subscribers in Africa, according to telecommunications researcher Ovum.
- In Africa is estimated at over 90%.The African continent's population is expected to reach 2 billion by 2050, accounting for 24% of the world's population.
- The working-age population in Africa is growing at a clip of 2.7 percent each year. 53% percent of income earners in Africa are between 16 and 34 years old - these consumers will contribute to more than \$400 billion in total consumption growth in the next decade.

## Blockchain adoption challenges

"Political instability and conflict, poor infrastructure, linguistic diversity, differences in consumer behaviour, fragmented markets, and low data availability and quality could pose some challenges to adoption of some blockchain powered innovations," said Gareth Grobler, founder and ceo of iCE3X, one of the first digital asset exchanges to launch in South Africa and Nigeria. "Despite all those potential challenges, South Africa is still one of the leading countries worldwide as far as trying to find a way to create a digital asset friendly environment. Our COO, Eugene Etsebeth was the inaugural Chairperson for the Intergovernmental

Fintech Working Group back in 2016 during his tenure at the South African Reserve Bank. The wheels of government, unfortunately, do not turn as fast as we would like, but we are moving in the right direction and we look forward to being a licensed crypto-asset service provider (CASP). I personally have been consulting with the financial regulator since 2012 and I can honestly say that it is one of the best jurisdictions in which to operate," Grobler explained.

According to PwC, a significant number of executives define several barriers that stagnate the blockchain implementation and the biggest ones being regulatory uncertainty, lack of trust among customers, ability to bring network together, difficulty to integrate or merge separate blockchain systems, inability to scale, intellectual property issues, and audit and compliance issues.

## How blockchain businesses could approach entering African markets

Examining factors that can influence or inhibit blockchain technology's adoption and proliferation within the African markets is key. This includes analysing social factors and characteristics of adopters in terms of identifying behavioural barriers to adoption within different markets across the region. In addition, analysing the rate at which diffusion of innovation takes place in order to be able to devise strategies and processes by which innovation is communicated



through particular channels is critical. Measuring the extent to which potential adopters perceive an opportunity to experiment with the blockchain-based innovations prior to committing to usage is necessary. Real market penetration can only be fully realised if companies consider factors that affect the rate of adoption of innovation including the extent to which the technology is perceived as difficult to understand and use, and also the degree to which the innovation may be experimented with on a limited basis, as well as the degree to which the results of those new products and services are visible to the potential adopter. Ultimately, the extent to which these new 4IR technologies are perceived as being consistent with the existing values, past experiences, and needs of potential adopters will have a significant impact on which blockchain businesses will succeed in potentially the most important market for global businesses in the future just based on population growth the fastest growing consumer base on in the world.

Success in most markets, particularly those across sub-Saharan Africa requires companies to tailor their offerings to local needs and preferences of the different demographics of potential adopters. Understanding local needs and preferences that drive mass adoption of products and becoming aware of not only local product preferences but

also local buying behaviours in order to maximise on first-mover advantages in a growing consumer market such as Africa could be the key to an effective market penetration strategy for companies developing blockchain-based products.

Written by:

## Heath Muchena

Bio: Heath Muchena is an author, journalist and the principal at Proudly Associated which advises international blockchain companies developing technologies that have use cases focused on emerging economy development, particularly in Africa. He is also co-founder of Block Patrol - a technology adoption and business development startup. He is also the director of programs at Alfajiri Hub and the director of research for the United Africa Blockchain Association.





## United Africa Blockchain Association Optimistic About Adoption Of Digital Assets On The Continent

The Bitcoin Party 2020 was recently held in Cape Town as a celebration of crypto adoption in South Africa which was in the top 5 countries with high cryptocurrency ownership among global internet users. Sentiment according to the United Africa Blockchain Association is that interest in digital assets like cryptocurrencies will only continue to grow. Despite some local banks in South Africa looking to sever ties with cryptocurrency companies particularly exchanges due to perceived 'risks' and lack of regulatory certainty, interest in crypto has actually surged - moving South Africa into the top 2 countries in the world with the highest rate of Bitcoin searches after Nigeria according to the latest stats on google trends.

"What we are seeing in fact is an increasing number of people beginning to grasp the real fundamentals of blockchain technology and the different use cases

particularly in financial services where Bitcoin for instance is seen as a solution to the redundant way traditional financed deals with cross border payment processing," said the founder of proudly associated. One of the first exchanges to launch in both South Africa and Nigeria was iCE3X back in 2013, founded by crypto pioneer Gareth Grobler. He believes the market in South Africa will eventually mature and is on a steady trajectory with huge growth potential. "As long as players in the space operate ethically, that will give credence to the idea of a self-regulating financial ecosys-

-tem that everyone can trust without overreaching regulatory oversight that could stifle innovation and slow adoption," he said. "From the outset we took the necessary measures to ensure the platform is secure and offers users stable cryptocurrency trading. We're still the only Kaspersky approved exchange in the world. As the internet currency industry continues to evolve we'll be launching more customer-centric features on the exchange to provide users with tools that empower them to make smart financial decisions," he explained. Another promising industry that could see tremendous uptake of crypto and blockchain-based products is the gaming industry. South African government statistics show that over 50% of South Africans bet on sports regularly. The rise of mobile gaming via smartphones has meant that many more South Africans can afford to play. Research shows there are more than 11 million gamers in South Africa and a report issued by South Africa's National Gambling Board projects gross gambling revenues to grow to R34.8 billion in 2020. Some estimations put South African gross gaming revenue at \$2.5 billion by 2021. Sports betting in particular had a projected rise of 12.5% compound annual rate in 2019 and with South Africa being the largest gaming market on the continent, "international companies such as Playbetr see Africa as an important market," said Alakanani Itireleng, CEO of SatoshiCentre, a Bitcoin community hub in Gaborone, Botswana..

What is clear for UABA is the undeniable relevance of blockchain innovations with respect to opening opportunities for people of all ages and backgrounds. "We run different initiatives and making tech events fun is an effective way to get the youth engaged and interested in new

innovations," said Grey Jabesi of UABA and host of The Grey Ave Podcast.

"We believe that by combining technology, entrepreneurship and business education - together with our partners -

the blockchain community can make a positive impact, he added. We are fortunate to have supporters such as Paxful, the peer-to-peer finance platform where people can trade bitcoin globally using multiple payment methods. We are optimistic that education around peer-to-peer finance will help bring much needed financial inclusivity in South Africa and the rest of the continent.

## Profile

BUSINESS AFRICA  
**ONLINE**  
INTERVIEW

Gareth Grobler is a digital currency entrepreneur and founded the cryptocurrency exchange iCE3X in 2013. He is a founding member of the UK Digital Currency Association. Gareth has over 15 years of experience in IT infrastructure and architecture development. He started iCE3X as a proof of concept and has been involved with other ventures including Merkeleon, a software company that builds exchange and processing software based out of Austria, with offices in Minsk and London.

In this exclusive interview with Heath Muchena of Business Africa Online, Grobler provides clarity on developments in the industry within Africa and shares his views on cryptocurrency adoption on the continent.



# Gareth Grobler

Founder and CEO of iCE3X

**Excerpts: Heath: What impact do you think cryptocurrencies will have on how people trade especially in Africa considering that a huge number of people on the continent remain unbanked and excluded from the traditional financial system and cross-border trade is slow and inefficient?**

**Gareth:** It is a double-edged sword. Crypto gives more people access to more options but also creates a void where unscrupulous entities fleece consumers who are not as financially savvy due to the fact that they have not had regular exposure to financial products and or have no experience with investments.

**Heath: What government issued African fiat currencies does your platform currently support?**

**Gareth:** The iCE3X platform currently supports two fiat currencies, the Nigerian Naira (NGN) and the South African Rand (ZAR) in addition to the more than 10 cryptocurrencies.

**Heath: iCE3X has been operational since 2013. What prompted the early move in the space especially in African markets you operate in i.e. South Africa & Nigeria?**

**Gareth:** iCE3X began as a proof of concept for the SaaS exchange product but now we have more functionality and features than any other exchange in Africa. Our focus is on being the best trading platform and not a cryptocurrency custodian since our vision is to give end-users more options especially when it comes to storing cryptos and do not advocate storage on our exchange, only responsible trading.

We have a loyal user base and are very proud to be one of the few exchanges with legitimate trades and volumes. We take a customer-centric approach to development and delivery of our offerings. Our primary focus is user education with regards to both cryptos and fiat money and blockchain technology adoption. An example is our free crypto trading platform feature which allows users to learn how to trade in real markets using demo tokens native to our exchange.

**Heath: How is the cryptocurrency industry developing in South Africa?**

**Gareth:** iCE3X is the abbreviation for "Internet Currency Evolution" so we understand that the industry still has a long way to go and we will see many transitions as the industry develops. We are constantly working on new ways to educate users about the underpinning technologies behind cryptocurrencies and are pleased with the trajectory.

Crypto markets are maturing and user security and knowledge is the main focal point for most honest operators. Part of the downside to the success of bitcoin has been the rise of scams being perpetrated under the bitcoin banner by opportunists looking to defraud unsuspecting ecosystem participants.



**Heath:** *You're part of the group helping to advise the South African Reserve Bank with respect to cryptocurrency regulations. How would you ideally like to see them approach regulating the industry particularly crypto exchanges?*

**Gareth:** We see cryptos such as Bitcoin as complementary financial instruments rather than replacements for traditional fiat. The SARB have been doing a great job in taking great care to understand the industry and any new challenges it faces, both technically and socially. It is pretty clear to everyone that cryptocurrency such as bitcoin itself cannot be regulated or controlled, but rather that the interaction of fiat money and cryptocurrency should and can be regulated.

Ultimately citizens require consumer protection and the best way to provide this is by vetting and licensing the operators who facilitate the interaction of FIAT and Cryptocurrency. The wheels of government, unfortunately, do not turn as fast as we would like, but we are moving in the right direction and we look forward to being a licensed crypto-asset service provider (CASP).

**Heath:** *How would you describe the progress in South Africa in terms of regulating the industry?*

**Gareth:** South Africa is one of the leading countries worldwide in this respect. Our COO, Eugene Etsebeth was the inaugural Chairperson for the IFWG (Intergovernmental Fintech Working Group) back in 2016 during his tenure at the South African Reserve Bank. I've been consulting with the financial regulator since 2012 so overall as a whole RSA have been keeping on

top of the curve, yet have been very careful not to tie the industry with unnecessary red-tape so I can honestly say that it is one of the best jurisdictions in which to operate.

**Heath:** *What are some of the legal and regulatory guidelines you currently follow and how will the organisation monitor emerging regulatory considerations? For example Anti-money laundering (AML) laws; and know your customer (KYC) laws*

**Gareth:** We are proud to have been ahead of the game since inception. We have in fact set the standard in some respects. We follow Financial Action Task Force (on Money Laundering) (FATF) recommendations and



already comply with all the suggested government regulations in terms of KYC and AML, even though these requirements are not yet legal requirements. We are also fortunate as I am a FATF recognised private sector expert and as a result, get to not only influence regulatory thinking on an international level but also benefit from first-hand exposure to the direction regulators are taking.

**Heath:** *What can you tell us about the product roadmap for the exchange? You continue to release new features and list new digital assets, what upcoming features are you most excited about rolling out?*

**Gareth:** There are a host of new features, functionality and assets scheduled for release during 2020. This includes stable coins, auto trading, 5 new order types, completely revamped and unique rewards system, new mobile apps, gamification and more deposit and withdrawal options. We are most excited about Artificial Intelligence Coin, our native utility token which will take cryptocurrency adoption and use in South Africa to a whole new level. This is due for release towards the end of Q1 2020.



# Creative Crafting Club

launches education platform that encourages creativity in kids, entrepreneurship for parents

CAPE TOWN, South Africa- A Cape Town based startup; Creative Crafting Club bridges the gap between entrepreneurship for stay-at-home parents and education for tots-to-tweens. The multifunctional online subscription site offers tried-and-tested creative crafting lesson plans; teaching resources and business acumen for parents, educators and budding entrepreneurs, to kick start their own kids' creative crafting club in their community. The Creative Crafting Club membership's STEAM (Science, Technology, Engineering, Art, Mathematics)-based lesson plans have been endorsed by occupational therapists, engineers, architects and artists to ensure the crafting topics are contemporary, child-friendly (for ages 2 - 12 years) and of international standards. They can be used to complement school curriculums, extramural activities or simply to run a

creative at-home business. South African sisters, Christelle (architect) and Stefanie (engineer) are the founders of the Creative Crafting Club and brainchild, Canvas Club. It was through the success of their franchise Canvas Club, which has expanded to over 50 franchise locations across three countries in two years, that the powerful pair saw the need to develop a worldwide business model that not only encourages creativity in kids, but entrepreneurship for parents too.

Stefanie says: "one of the biggest struggles we see moms face is finding a flexible way to generate extra income. We've seen the sense of community and transformation that the membership platform is creating for these women first-hand." Club member, Lili Probart, attests: "Creative

Crafting Club gave me the tools to pursue my

dream of teaching children, despite not being a schoolteacher." Achieving a healthy work-family balance is proving to be a challenge for mothers. Research shows that mothers are 79% less likely to be hired and earn 14 to 18% less than non-mothers. Furthermore, stay-at-home moms are half as likely to get a job interview as moms who were retrenched. The "motherhood penalty" suggests businesses are concerned about stay-at-home parents' prioritizing family over work.

Christelle says: "being a mom is a rewarding job, but that doesn't mean you have to choose between parenting and a fulfilling career. The Creative Crafting Club membership not only tackles education but encourages entrepreneurship in communities, especially for stay-at-home parents in Africa who are often tasked with looking after not only their own children, but other children in their communities too."





# 5 Reasons

why i left the western world and moved back to Africa to start a business

*David Iit*

I understand and appreciate the sacrifice my parents made of leaving the conflicted Democratic Republic of the Congo some years ago in hopes to offer my siblings and I a better chance at life, and until this day, I consider that to be the greatest gift they've given me. As time passed, I've learned over the years that problems aren't stop-signs but guidelines instead. Running away from your challenges is the equivalent of turning your back on the opportunity of finding a solution.

Although I'm undoubtedly grateful for my Canadian citizenship, the world-class education and the quality of life amongst many other benefits of growing up in the western world, the fact remains that it's just not where I feel I genuinely serve a purpose. Growing up in the west has granted this young African boy the ability not only to dream but to realize those dreams if I put my mind to it. With that said, it would be a blunder on my part if I didn't utilize that advantage to do my part in helping build an Africa I'm proud of can all my home.

Thus, let's get straight to it. But, let's get straight to it. But, let's keep in mind that this isn't a template for all, just my honest and most conspicuous reasons.

## 1. opportunity

I find this to be accurately common with entrepreneurs; the fact that our perspective when coming across something intriguing is always to see it for what it could be and not what it is. We're problem solvers by nature, and we understand the benefits and see value solving some of the world's most significant challenges. We get goosebumps thinking about hows when put in front of a problem, the challenge of problem-solving keeps us up at night pondering on the right codes, strategies and tactics. For this reason alone, you'll probably similarly react to this fact; "Africa's population is the fastest growing in the world. It is expected to increase by roughly 50% over the next 18 years,

growing from 1.2 billion people today to over 1.8 billion 2035." Some might look at this as a burden, while I can only see it as an ample amount of opportunity.

"The opportunities that everyone cannot see are the real opportunities."

Jjack Ma

## 2. Majority Priviledge

For the longest time, I thought white privilege was a thing... I was exposed to it throughout my whole life! Don't get me wrong here, it is a thing, but it appears to be the case only in the western world.

The fact is, Asian privilege is a thing too, in Asian countries. This statement might sound extremely foolish to some readers, but black privilege is alive and thriving, in majority black countries, which all happen to be in sub-saharan Africa. Use it to your advantage; the possibilities are endless when you have the support of your people.

## 3. wakanda forever?

Goes without being said- just a subtle yet essential reminder... wakanda won't build itself.

## 4.challenges

"most African governments aren't sta..." blah blah. "it's hard to do business in Africa becau.." go on, let's hear! We've heard it all before. Do yourself a favour, become antifrangible. Allowing myself to be challenged by the hurdles of conducting business in this continent will only make me a better entrepreneur, there's no other way around it. If it's too easy, believe me when I say it's just not worth having... Rome wasn't built in one day, neither was it easy to complete.

I don't condone corruption in any shape or form, but I do have this to say to entrepreneurs thinking of starting up in Africa; when raising rounds of capital, always ask for slightly more than you think you need. you'll need extra cash because bribery is a common practice here, let's just say it helps cut the time in half for when in need of some services

# 5 Rea sons

why i left the western world and moved back to Africa to start a business

David lit

## 5. It's Home

When it's all said and done, it's home. I was born here, and although my parents' sacrifice significantly impacted my life, I don't believe removing a child from his natural habitat should be something young African kids should experience.

The challenge is simple, helping economics across Africa- to allow our people to have access to jobs, education, and the quality of life they deserve. We as Africans must innovate at a rapid rate if we hope not to be left behind. It's time we understand that home is what we make it and it's our duty as entrepreneurs to play our role in helping create the Africa of tomorrow.

"Time waits for no one, and it's certainly not going to wait for us to get this right..."

-David Lit

# African countries

## Dominating The Afri-Commerce Space

**A** Afri-Commerce in Africa is growing at a steady rate, according to Disrupt Africa there are around 264 eCommerce start-ups across the continent.

With most of Africa's eCommerce startups located in Nigeria followed by South Africa and Kenya. Top 3 countries dominating Afri-Commerce:

- Nigeria has a population of around 195 million people, it has the largest economy in terms of gross domestic product and is the most populous country in Africa. 40 percent of Afri-Commerce ventures have headquarters in Nigeria. However, it has an internet penetration of only 48 percent.
  - South Africa has a population of 55.5 million has a 54 percent internet penetration. It has a blooming middle class and is one of the countries with the best cross-border potential.
  - Kenya has a population of 48.5 million and have a 79 percent internet penetration. Kenya is home to M-Pesa, a service which facilitates mobile money. The availability of a secure payment system encourages internet access and online buying. (SoftPac, 2018)
- Below is a list of some of the Afri-Commerce startups in Nigeria, Kenya and South Africa.

**Jumia Group** was founded in 2012 by the Berlin-based Rocket Internet and formally known as Africa Internet group. It operates in 14 African countries and in the Middle East. Jumia is an online shopping website for electronics and fashion. They offer different types of services including Jumia Market, Jumia Travel, Food, Jumia House, Jumia Jobs, Jumia Car, Jumia Deals and Jumia Services.

**Kongo** was founded in 2012 in Nigeria and initially sold only baby and beauty products. It does not operate outside of Nigeria. In 2014, Kongo opened Seller HQ, a third-party marketplace. The site has about 1 million customers and receives over 300,000 unique visits daily. It only operates within Nigeria.

**Kilimall** sells in Kenya, Nigeria and Uganda. It offers affiliate programs for small African businesses as well as seller programs. Besides supporting African businesses, they also sell products from China.

**Sky.Garden** was launched in 2017, it is a SaaS mobile commerce platform which provides more than 3,000 sellers with web shops and offers 23,000 unique products in 30 different categories. It only accepts M-Pesa payments from customers and pays all merchants using M-Pesa.

**Takealot** was formed by Tiger Global Management in 2011 as a result of an acquisition of an existing Afri-Commerce firm. Takealot also owns Mr. D Delivery, giving it its own delivery network with more than 900 drivers. For its marketplace merchants, Takealot offers storage, fulfilment and delivery, and customer service.

**Zando** is a subsidiary to parent company, The Jumia Group, which operates as a fashion retailer and across numerous other vertical in various other African countries. Zando sells over 500 brands, including footwear, apparel, homeware and beauty products.

**Vuuqa** is a newbie in the Afri-Commerce space but promises to be one of the fastest growing Afri-Commerce stores in South Africa with plans to expand into Kenya. Vuuqa is an online marketplace that sells African brands by connecting them to the world. All products on Vuuqa are made in Africa by Africans.

**Afri-Commerce** in Africa is the future even though there still remains many challenges. With mobile penetration reaching close to 70% on the continent and an increase in internet penetration, technology will continue to open doors and provide new opportunities for Afri-Commerce in Africa.

Vuuqa is an Afri-commerce platform that sells African brands by connecting them to the world.

written by

**Tshiwela Ncube**

(co-founder and cto at vuuqa)



@Vuuqa



For Advert And Sponsorship Call:

**+2348137010250 or +2348096365657**

Email: [editor@businessafricaonline.com](mailto:editor@businessafricaonline.com)

Website: [www.businessafricaonline.com](http://www.businessafricaonline.com)