

Africa could become "the new China"

Africa has been identified as the continent with the potential to become the next China. Africans have embraced mobile communication technologies faster than any other parts of the world and the continent is being recognised as the next potential enabler of sustainable economic growth, driving innovation for the developing world.



Dorman Followwill

The [Growth Innovation Leadership \(GIL\) Africa](#) congress, which took place in Cape Town last week, saw over 200 high profile executives from various industry sectors gather to discuss digitisation as part of their new growth strategy and business models.

Frost & Sullivan's senior partner Dorman Followwill opened the day with a keynote address on 'Digital Transformation – The New Strategic Imperative', highlighting the immense amount of opportunities available to businesses operating on the continent.

"Africa could become the new China, and may serve as a classic staging ground for new technologies, as we have already seen with mobile communications and mobile payment platforms," he stated. "Rwanda with its topography of many hills, for example, may be the perfect staging ground for drones deployed for delivery of various products for companies like Amazon or DHL or Google."

Wayne Houghton, Frost & Sullivan's director of Growth Implementation Solutions for Africa, presented the Think Tank on 'Digital Transformation as a New Business Model'. Using Pokémon Go as an innovative case study example of the success of digital transformation, he stated that, "The app now generates staggering revenues of up to \$5.7 million per day, and the start-up cost was only around \$50,000.

"In order to adapt, like Nintendo who made the business model shift from game maker to IP licensor, organisations need to evolve towards digital DNA to instil a culture of continuous innovation, incubate the best ideas and be bold enough to cannibalise their traditional business models," said Houghton.

CEO of Wesgro, Tim Harris, engaged the audience with his talk on 'Attracting and Retaining International Investments in Africa'. Harris pointed out that Cape Town has now become Africa's largest start-up scene and that the retail, agriculture and asset management industries are leading the way in terms of innovation.

The CEO panel session, moderated by Frost & Sullivan's operations director, Hendrik Malan, included senior level executives from T-Systems, the [Botswana](#) Special Economic Zones Authority (SEZA), Uber, Wesgro and Symphonia. The session proved to be an interesting discussion on the visionary perspectives CEOs share around the digital revolution of Africa as a continent. South Africa was highlighted as a potential platform for innovation in Africa - for Africa, given the excellent financial infrastructure and ecosystem.

"The digital revolution of Africa has great potential for the continent, but is also a source of risk and uncertainty," said Malan. "Stakeholders across the continent need to ensure a greater degree of focus on empowering the next generation with the right skills and digital infrastructure to take advantage of these opportunities."

Other key highlights included Think Tank sessions on the Internet of Things (IoT); FinTech in Africa; connected mobility and how digitisation is transforming the African transport and automotive industry; as well as the realistic possibility of Smart Cities in Africa.

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