

# African businesses getting serious about advanced data analytics

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African businesses are starting to realise that to increase productivity and competitiveness in the market, advanced data analytics is no longer a nice to have but is crucial. That's because, in countries like Nigeria and Kenya, young up-and-coming executives have seen what analytics can do in global markets and want to see that same success replicated in their own businesses.



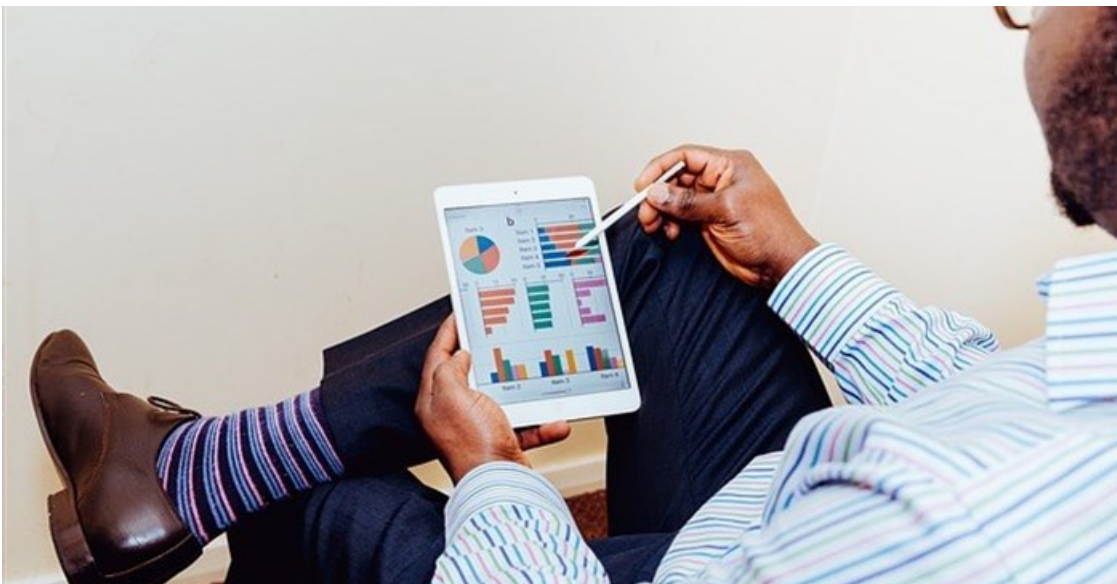
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They want their analytics to do more and are increasingly engaging with vendors to understand how they can move towards this quest for better data management and a better understanding of their customers. Because of this, African businesses are allocating more budget to analytics, not only to understand their data better but also to manage fraud and risk and to increase their customer intelligence.

## Challenges

Yet, while some verticals like financial services are advanced in their use of analytics, others are still figuring out how to make sense of their data and how to sort the chaff from the wheat, especially when it comes to unstructured data like social media. At the local government level, for example, analytics can help address challenges around education, public safety, social and health services, but governments are not proactive in their use of new solutions and instead wait for IT to implement the solutions and present them with the data, rather than exploring the data themselves to discover how they can improve service delivery.

One of the obstacles standing in the way of African businesses fully adopting analytics is the lack of analytical skills. But in nations where children of school-going age are already demonstrating entrepreneurship by developing apps and building PCs, this shouldn't be the case. This is why it's important that businesses partner with vendors that not only develop solutions tailored to the African market's unique requirements but that also understand the challenges around skills. Partners should offer more than box-drop solutions and should empower people within organisations to be able to do analytics on their own while keeping lines of communication open to ensure they continue to get value out of their investment.



## Opportunities

Because the degrees of analytics usage varies across African businesses, solutions providers have an opportunity to educate the market on how data analytics allows businesses to be as flexible as they should be. There is a perception in the market that analytics is expensive. It's up to the providers to demonstrate the return on investment that businesses can and will achieve through analytics and show them how analytics can actually save them money, for example through uncovering fraud or helping them to identify new revenue streams that reduce customer churn.

There is also an opportunity for vendors to make it simpler for those businesses that are not yet at the level of full data analytics appreciation by showing that they build solutions with these businesses' requirements in mind and that these solutions fit seamlessly into their environments. But the biggest opportunity - and the most valuable to Africa - is to develop local skills, either through university partnerships or mentorship programmes, so that organisations can take charge of their own analytics journey. African businesses understand that analytics can transform their industries and help them to uncover new markets. The appetite for change and growth is insatiable and it's only a matter of time before nations like Kenya and Nigeria start showing the world how it should be done.

## ABOUT THE AUTHOR

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