

Scaling up with Startupbootcamp's 'sandbox' success

 By Leigh Andrews

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Philip Kiracofe calls himself an 'adventure capitalist'. Here's how the Startupbootcamp initiative he co-founded is solving problems corporates didn't know they had while giving African startups a boost, and how you can get involved.

“ We are humbled & honored to have been featured on the cover of the May 2018 issue of [@FastCompanySA](#) This is a deeply personal, poignant moment for me. It represents more than 8 years of laying the groundwork for building, sustainable & scalable enterprises in Africa [#startup #SBC pic.twitter.com/Ao0Bflv1Tm](#)— Zachariah George (@zach_cpt) May 18, 2018 ”

Kiracofe and Zachariah George formally started the Startupbootcamps last year, and have just completed a round of FastTrack events for Startupbootcamp Africa, suitably situated all around the continent – think a new emerging tech city every four days, with over 220 one-on-one sessions in the past few months.

I sat down with Kiracofe to unpack the advantage of attending the FastTrack sessions, how the global Startupbootcamp initiative is benefiting startups and corporate sponsors alike from their sandbox safe space ecosystem, and why you need to enter your scalable idea, stat!

■ **Talk us through your current role and responsibilities as co-founder and CEO of the Startupbootcamps (SBCs) and its African origin story.**

Let's start with my own background – I spent 20 years in the tech and venture space in the US, I was there in the dot.com 1.0 run up, and I've been involved in emerging markets for 10 years, particularly in India. Then the moment came where we wondered, “Where's the next big opportunity?”

Randomly, I came to South Africa to run the Comrade's Marathon in 2011 and visited Cape Town afterwards for a couple days, where I stumbled upon this emerging tech scene. From that point on, I knew this was the next big thing – Africa is where it's going to happen.

“ [@pkiracofe](#) explaining how africa is the cradle of distraction and innovation with up to 90% of future growth coming from the continent. [#sbcCapeTown @Ventureburn @VC4Africa @DisruptAfrica @SiliconCape @FastCompanySA @OldMutualSA @Nedbank @RCSTGroup @bnpp_pf @pwc_za @BNPParibas pic.twitter.com/Fqpte3Wjfd](#)— SBCCapeTown (@SBCCapeTown) May 22, 2018 ”

Initially, the thought was “Let's build a venture fund, an investment fund”, but the challenge with venture funds is you need a very mature ecosystem; you need companies that scale fast and exit fast. That doesn't happen in Africa but the opportunity was still there – it was just about solving it in a different way, or at least moving upstream.

In 2015, my colleague Zach and I took the plunge and cofounded our very first accelerator, which was really a pilot with a large African bank, then in 2016, we ran a second pilot with a different bank. By then the model was working, but we needed multiple corporates involved in the same programme, as it wasn't yet a single solution, and we needed an international component.

So we launched Startupbootcamp in 2017, and it brought in all of these sponsors who are now in their second year of the programme – the likes of RCS, PwC, BNP Paribas Personal Finance, Nedbank, Woolworths Financial Services and Old Mutual. We're effectively running the only multi-corporate-backed accelerator programme on the continent of Africa.



Startupbootcamp Africa partners Google to support startups

Tom Jackson 9 May 2018



We also have the benefits of being part of a global network. So in my capacity as CEO, we have two customers – we focus on the startups and we focus on the corporates.

“What we've created is effectively a 'safe sandbox', where both sides can play together nicely. You can test out low-risk ways to implement ideas in the startups' case, and for corporates, to see what's going to work best and how to tweak it before they start scaling up. Once you have commercially viable solutions, you can channel that into the market.”

My job is to straddle those two and almost translate between the way the startups think – very fast and agile, with a 'break the bank' mentality, and the corporates, who want to be involved but have to follow regulations and constraints and have a lot of people looking over their shoulders and a lot of reputational risk. We find a way to make it work.



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Simultaneously, while we're a pan-African focused programme, the primary goal is to help the 10 startups in the programme after that three-month accelerator period, is complete, once they're alumni, to ensure that their success here can scale globally.

As we run the boot camp programmes all around the world, they're the ideal way to showcase our alumni to a global audience, with some of the biggest companies in the world as sponsors of our other programmes. We introduce the startups to the massive international conglomerates and say "Here's a tiny company that can solve a big problem you're

having, here's how you can work together."

■ **Love that! Let's talk about the FastTrack sessions then. I know this is the last one for 2018. How have they grown, and what is feedback like from those who attend?**

It's been an incredible pace. Looking at the numbers: In total, we've run 19 in three months, that's an average of one every four days, held in 15 different countries, so we're travelling a lot and hosting the events in different countries, all over the continent and beyond.

For example, with the West Africa leg we were in Lagos on Saturday, Abidjan on Tuesday and Accra on Thursday. When we were in East Africa, Monday was Kigali, Wednesday was Kampala, and Friday was Nairobi. Obviously, there are common themes in each region, but each is also very different.

“ You have an idea, great! Now go out and implement it! [#Startup](#) [#MotivationMonday](#) [#Grind](#) [#Innovation](#) [#entrepreneurship](#) [pic.twitter.com/bCXAGgRLX6](#)— Zachariah George (@zach_cpt) [May 21, 2018](#) ”

For example, when we were in Zimbabwe, a critical issue is that banking with physical cash is difficult, so out of the ten startup companies that attended there, four were in the cryptocurrency and blockchain space. They're solving the problem that's critical for them, something they deal with every single day.

How do you operate an economy when vendors can't get cash, consumers can't get cash? They're solving that in a slew of different ways and we see very interesting things there.

“ In Accra, we saw some really interesting agritech solutions; when we were in Cairo, it was tourism-based solutions, because that's a massive part of their economy. Each place we go, we see different flavours that reflect the dominant economies of the country, it's eye-opening. ”

The other thing that's really great about it is that over the course of this last 90 days, I've sat face-to-face every day we're at the FastTrack for 20 minutes with 10 to 12 different startups. By the end of the final session held in Cape Town on Tuesday this week, that number for me was around 223 startups that I'd sat face-to-face with. It's a lot of engagement and you start to get some very common themes and you start to see the same hurdles cropping up over and over again for a startup.

How do I get my first customer? How do I price my product? How do I get to market when I've not completed my build out? As a result, we've started to develop some very simple suggestions that can be implemented by those startups without a lot of money and in some cases, with no money. This allows them to take big steps from a validation perspective; it allows them to prove that there's demand for their product and service.

“ .@pkiracofe and @KienoKammies giving the last shoutout to all [#startups](#) to apply for the leading accelerator - Apply before 24 May: <https://t.co/GiLcnUIQsQ> @CapeTalk @TheLoudhailerZA @SiliconCape @VC4Africa @Ventureburn @zach_cpt @DisruptAfrica @FastCompanySA [pic.twitter.com/z6Rs21PIUT](#)— SBCCapeTown (@SBCCapeTown) [May 22, 2018](#) ”

That's something they can take to other customers or partners or even investors and say, "I'm getting traction, I'm scaling, and now I need just a little more to get to the next level, and then a little more to the level after that."

As to results – we're sitting on close to 800 applications for the programme and we have a day left – that's not said in a sense of discouraging anybody, because we haven't even started ranking them at all! The ranking will start at midnight on Thursday when applications close, then we crack it open. But on the basis of the 220-odd companies we've seen through these FastTrack events, it is a material improvement over what we saw last year.

Last year was really us going out in the market and saying, 'Hey, we're here,' educating people about the basics: What is

an accelerator, how can we help you. The startups signing up also weren't sure what they were signing up for – three months in Cape Town's not a bad draw, but it's still three months away from running your business – that's a big risk as time is the most valuable asset for a startup.

So if we say, "Give us three months of your time and we promise we will give you something in return..." Last year that was a claim, now we know as a result of the first programme that we can take 12 to 18 months of growth and compress it into three months.



Startupbootcamp Cape Town's top 10 startups sign 32 deals

6 Dec 2017



The 10 companies that came through the programme last year walked away with 32 signed commercial agreements. That's an extraordinary result and makes it easier for us this year to say to startups, "It's not much of a risk anymore. This is what we've done, we've seen it works and it's going to work again this year – probably even better."

That's translated into a higher calibre of people showing up at our FastTrack events and presumably also in our applications.

Ultimately, we know that we can only accommodate 10 companies per year to come through the full three-month accelerator, but we're touching 220 companies through this FastTrack process. Those are companies are all over the continent, and as we sit there and help them, it's great that no matter what happens, your business has now taken a big step forward.

The startup founders that implement those ideas and suggestions are already seeing themselves skipping forward, and that's of huge value to them, and of course, we get to feel good about our contribution.

🚩 **Let's end with some practical advice: How can African startups, in particular, better sell themselves, sell the idea and get that across in the way that gets that investment and involvement and passion for it to go forward?**

African startups in particular struggle with selling what they do and selling their story. It is largely cultural. As an American, I can say that for better or worse, Americans are fantastic at selling, oftentimes there's no substance underneath it, but we're really good at selling!

As a startup, you're largely relying on your ability to convince someone to take a leap of faith with you. For a startup that's more conservative and saying, "I want to prove what I'm doing first," you're inherently losing in the speed race to someone who is willing to just project a bit.

“ Into our mentorship sessions with some phenomenal mentors from [@Nedbank](#) [@OldMutualSA](#) [#AFB](#) [@LetshegoGroup](#) [@pvc_za](#) [@RCSSGroup](#) [#Salesrockit](#) [#Ipabole](#) [#AccoVentures](#) [#FlavidalInvestments](#) [#sbcCapeTown](#) [#sbcFastTrack](#) [pic.twitter.com/QQgCyVgXLD](#) — SBCCapeTown (@SBCCapeTown) May 22, 2018 ”

That's what we do – help startups grow the confidence to take a leap. We say it's better to learn and that even if you fail, you're going to learn faster by getting out of the market than by focusing on build. So stop building, go sell!

The other big factor is that with the investor climate here such that there are far fewer investors and far less money available, investors are also far less inclined to take those early risks. The best way for a startup to demonstrate they're investable is to have contracts and a route to market with a customer.

Normally that would be a very long process. By bringing corporates to the table who are more open to that, we make it easy for you to get that first paying customer, and that one will lead to five or ten, which will, in turn, lead to another 20 or 30. But just to have one to start with is already a fundamental difference.

As soon as you have that kind of thinking and that kind of result, it validates your traction.

So, as an investor coming to the equation, you're then saying: "I'm no longer investing in an idea on the hopes that somebody can build something that eventually gets some customers that'll eventually convince someone. I already know upfront that people are paying for this."

Your startup may be very small it means the investor can say, "You've signed one customer, you now need five more – how much will that cost, I will pay for that because I can see that the first customer has already bought it."

■ ***That makes a lot of sense and it's a really clever way of doing business, because it's obvious, but it's also not.***

Yes, that is the ecosystem – the startups, the corporates, the investors, media and other stakeholders can all sit together and say, "We're all actually benefitting by being in this sandbox. We all benefit from each other and it's a safe space."

Even though sponsors tend to be in the fintech, insuretech and ecommerce space, we're looking for a broad range of solutions, like Brownie Points, which said: "We help people find volunteer activities." That wasn't a problem that the corporates ever thought they had until we put them in the sandbox and the corporates realised it was actually a massive problem.



SA's Brownie Points helps corporates streamline their CSR

Tom Jackson 1 Feb 2018



We helped turn that solution into something that really solved a problem they didn't know they had. We want applications that are broad like that. Once we put your startup in the same room as corporates, we see the possible magic and the rest takes care of itself. Anybody with a scalable business idea is encouraged to apply – there's still time!



Last chance to apply for Startupbootcamp Africa accelerator

22 May 2018



Applications close at midnight on Thursday, 24 May 2018, and the three-month boot camp will kick off in September 2018 in Cape Town. The top 10 tech startups chosen for the Cape Town Accelerator will each receive EUR15,000, access to 100+ highly engaged industry mentors, free office space, access to funding and a network of industry partners, investors and venture capital firms. Get your applications in at [here](#) and follow [@SBCCapeTown](#) for the latest news and updates.

ABOUT LEIGH ANDREWS

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