

What the African data gap means for business

By [Carol Pineau](#)

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With the buzz on President Obama's Power Africa initiative, the NASA composite map showing the world's haves and have-nots of electricity has become an iconic image. The US is brightly lit, as is Europe and parts of Asia. India, Indonesia, and Brazil, sparkle in the nighttime map. And then there is Africa, nearly dark but for a smattering of lights around South Africa, Lagos, and the Mediterranean shores. At last, the world has finally woken up to the pressing need for electricity in Africa.

Now here's the next frontier: data.



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I suspect if you were to create a map of data sets throughout the world, it would look much like the electricity map -- data overload in the US, Europe and parts of Asia, yet a mere sprinkling around North Africa, South Africa, Lagos, and Kenya.

It's easy to look at the data shortage and say it doesn't matter, especially when there are so many other pressing needs like education, health, and job creation, but that's the short-sighted view. Data matters enormously.

One of the biggest impediments to investment is lack of information. With information, investor confidence grows. With confident investors, money flows, and that's when real, sustainable development happens. Information is power, but ask any trade minister trying to promote his or her country without adequate data, and you will understand lack of information is powerlessness.

Info gap, solved: Harnessing the mobile revolution

Gathering data via traditional means can be difficult in Africa. Remote populations, lack of infrastructure, paucity of landlines, and insecurity add up to an extremely challenging environment for traditional information gathering. Like many challenges, sometimes the answer lies in finding another way.

Enter the greatest African game changer of our times: the cell phone.

In the late-1990's cell phones came to Africa and revolutionised the continent. Suddenly, Africans could communicate - with each other and with the world. In less than 10 years, there was a new revolution, only now it was no longer about making phone calls; it was all about the apps. A whole universe opened up with e-health, e-government, e-learning, and best of all, mobile banking.

Fast forward another decade to today, and we are on the verge of another revolution. It's no longer just about an individual being able to make calls, or what an individual can do with their phone. Today, it's all about the aggregate. With cell phones, it's now possible to gather individual African's views, hopes, and habits, and aggregate them to create accurate, reliable data, and in near real-time. This is actionable information that can drive investment, create jobs, and fuel development.

Want to know what Africans think? Snd Af TXT mssg

At GeoPoll, our part of this new data paradigm is surveying populations through mobile phones, using text messages (SMS), voice recordings, and web applications. Like all great ventures, we started in 2010 with a bang: polling 140,000 people in the Democratic Republic of Congo. And with results in 48 hours.

With an estimated 85% of Africans owning or having access to mobile phones, it has become the easiest, quickest, most cost-effective way to reach populations throughout the continent. Using mobile phones allows us to access traditionally hard-to-reach areas, including regions that are remote or insecure, to poll people repeatedly to see changes over time, and to gather data in near real time.

From our database of more than 150 million users we are able to collect real time data that can help businesses, organisations, and governments make better informed decisions. When you consider that almost all Development Ministers in Africa are working with data that is at least 12-weeks out of date, real-time data could be a game changer.

New data, new opportunities

What can data show us? A lot, and with astonishing granularity, even at a grassroots level. Data can be the ultimate myth-buster, and for a region like Africa where myths, stereotypes, and wrong-headed assumptions abound, myth-busting is sorely needed.

The US State Department recently issued a warning on travel to Kenya, but how do Kenyans feel? Rather optimistic, according to a recent GeoPoll survey, with 54% saying they believe the economy will improve over the next 90 days. 76% say they are spending more money this year than last, with 52% reporting spending "significantly more".

What drives their buying decisions? For such an impoverished continent one would assume it must be price. In Kenya, that's true for 32%, but price is trumped by a surprising 53% who say quality is their top factor.

In a similar poll in Nigeria, three times as many people chose quality over price as the key driver of their buying decisions. Consumer optimism is alive and well in Nigeria as well, as despite the world news being flooded with stories on Boko Haram, 59% believed the economy would improve over the next 90 days.

It used to be Africans far preferred imported goods, seeing products made in Africa as being of lower quality, but that may be changing. 47% of Nigerians prefer goods made in Nigeria. In Kenya, 57% felt the same about goods made in Kenya.

Perhaps most astounding, 44% of respondents in Kenya and a whopping 60% of Nigerians said during their most recent shopping excursions they did not find what they were looking for. That's a business opportunity! Kenya and Nigeria are among Africa's most competitive business environments, and yet the figures show they are still unsaturated markets that are ripe for investors bringing to market products that are better quality, price, and availability.

Other polls uncover huge opportunities for investment. Only 25% of Kenyans rated traffic as "very high" volume, and yet 70% would be willing to pay a toll for roads with less traffic. Are they as willing to pay for more reliable electricity? Probably so, as 41% reported having electronics damaged by power surges or outages in the last year.

Information is power

A top CEO used to say that US manufacturers couldn't keep selling to just 15% of the world. Quite true, but that other 85% has become far more sophisticated and complex. Africans now have choices, and can raise capital, source goods, and fund projects from a wide array of options. Understanding these markets is essential. More than ever, information is power.

ABOUT THE AUTHOR

Carol Pneau is the Vice President of Strategic Partnerships at GeoPoll. She came to GeoPoll following a long career in journalism in Africa for major media, including CNN, Reuters, and VOA. An award winning filmmaker and journalist, her ground breaking full-length documentary, Africa Open for Business, was voted the BBC Documentary of the Year, and screened at numerous high level venues including the World Economic Forum, G-8, US Congress, United Nations, and TED. She has been a frequent speaker at major international forums on business in Africa and the need to rebrand Africa's image in the media. A Frontier Leader, she will be attending the Frontier 100 Forum hosted by the Initiative for Global Development in New York City from October 21-22, 2014. Visit the Forums website to learn more and follow hashtag #Frontier100 on Twitter to follow the conversations online."

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