

Opening doors in Africa

Investment in Africa has never been higher. According to the World Bank, Foreign direct investment (FDI) in the region hit a record \$60 billion by the middle of this year. And yet, many multinational companies looking to expand across the continent are still wary of doing business in Africa as a result of its well-publicised challenges.

This, says Louise Robinson, Managing Director of Database 360, is partly the result of political instability; endemic corruption; and regulations that have been loose, difficult to follow or constantly changing. However, this doesn't paint the whole picture.

"Doing business in Africa has its challenges, yes, but it offers far bigger opportunities than drawbacks. On average, the continent's economies will grow 4.5 percent in 2015 and 5 percent in 2016, according to the 2015 "African Economic Outlook" report by the Organization for Economic Co-operation and Development, the African Development Bank ("ADB") and the United Nations Development Programme," Robinson points out. "The report predicts that private investment from abroad will grow to \$55.2 billion this year, more than 10 percent higher than last year."

She adds that the challenges of doing business in Africa start with the fact that it is a large continent, with many different cultures, languages, and attitudes. "Many Western investors find themselves daunted by the number of cultural, political, and organisational differences across the region. This makes them reluctant to even try going into one African country, and yet, it is relatively easy to circumnavigate the African business environment with the assistance of a specialist consultancy – and much more difficult without it."

According to Robinson, finding the right strategy in Africa can be tricky. What is required is not simply money, but the ability to reach the right customers, in the right way. In addition, The African Economic Outlook Report indicates that administrative procedures for opening and running a business and business running costs stood out as factors most likely to discourage investment.

"Over and above various cultural and language barriers, which are very important in successfully doing business in Africa, each country has its own specific requirements and needs in terms of legislation and other fundamental factors. A consultancy that specialises in the African business environment will not only help identify these within each target market, but help define and identify the target market. It's by virtue of the years of experience and knowledge that a consultancy is able to smooth the process of entering

emerging markets – especially those in Africa,” Robinson says.

She adds that Database 360 has over a decade worth of experience in bridging the gap between investor organisations from the developed world and emerging markets in Africa. With a foothold on the continent and an excellent understanding of all of the factors relevant to doing business in this complex environment, Database 360 provides a consulting service that specialises in offering marketing strategies and reliable data – helping businesses reach the right audience in an environment where information is normally hard to come by.

“Offering intimate knowledge of the operating environment in each country, as well as on-the-ground advice to help navigate the growth prospects, as well as the challenges Africa offers, Database 360 ensures international companies looking to grow on the continent use the right mix of good business practices and innovative approaches to capitalise on new market opportunities,” Robinson says.

“As with business anywhere, networking in Africa is vital. Getting to the right people will make or break any business opportunity, because making a sale is reliant on relationships. Database 360 opens the doors to those relationships, while offering solid business and marketing advice for each country.”