

FORMULATING YOUR STRATEGY FOR AFRICA EXPANSION

CAN AFRICA COMPLEMENT YOUR STRATEGY?

- Different Africa strategies can apply to different overall business strategies; outsourcing, consumer-oriented, resource-focused. Have clear goals for the Africa operation's contribution.
- In early phases, the Africa operation may be a cost centre for the global operation.

CAN YOU COMPETE IN AFRICA?

- Entering African markets is challenging and time-consuming: patience and the willingness to wait long for break-even may be required.
- Local knowledge and in-depth research are essential: establish partnerships with research providers and local advisors/ partners for thorough pre-entry market research

WHAT IS THE BEST WAY TO ENTER AFRICA?

- Different entry strategies have different risk/return profiles, from greenfield to minority stakes. Choose one that suits the global operation's needs and goals.
- Always involve local partners or employees, to maximise the contribution of on-the-ground knowledge to the operation.

WILL YOUR BUSINESS MODEL WORK IN AFRICA?

- Take market research and trends into account when drawing up a market-specific business model.
- Evaluate all risks and put contingency plans in place.
- Consider how the global strategy can support the planned Africa operation.

