

# Is Africa the emerging market of the decade?

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While markets like India, Brazil, Turkey, Indonesia and Russia have failed to deliver as emerging markets; Africa is seemingly more buoyant in relative comparison.



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Forbes, in its report on 'Africa's emerging market boom', says that Africa is currently home to five of the world's dozen fastest-growing economies. While this is quickly cautioned for optimism, mostly due to underdeveloped infrastructure, there is a bright light over Africa, most especially from a communications perspective.

According to Frost & Sullivan, the expansion of communications networks to remote locations within Africa has rapidly resulted in the need for alternative technologies to traditional fibre expansion.

This is true and that, thanks to the hostile conditions, Africa will continue to see a boom in the use of satellite technology to span large distances. The longer the distance, the more appealing satellite becomes. This is largely as a result of the cost and the fact that satellite access is independent of location.

## Issues hindering economic growth in Africa

The boom is also a result of the advancements in wireless network and device technologies, coupled with the propagation of sophisticated mobile applications. This has had an overwhelming effect on the way people communicate and do business. Lack of infrastructure such as proper roads, buildings, power and telecommunications are some of the issues hindering economic growth in Africa.

Satellite communications can speed up broadband roll-out and provide access in many developing economies, thereby making the difference between no access and a viable connection and inclusion in the digital society.

It is well documented that the evolution from basic feature phones to smartphones has been nothing short of phenomenal, robust mobile services have become a part of the fundamental way that people function in their day-to-day lives.

New services such as free or low-cost streaming media services, social networking, and location-based services (LBS) are quickly becoming "essential" and a necessary component for every cellular carrier to support. The advent of the sub \$100 smartphone is no longer a pipe dream as announced by the global semiconductor firm ARM, who indicated that within a few months they would launch an Android-based smartphone at approx. \$20. Undoubtedly this is a key driver to speed the growth of telecoms within the urban and rural markets.

## **New challenges inevitably emerge**

In fact, Frost & Sullivan research indicates the average smartphone user is rapidly approaching two gigabytes (GB) of cellular data usage every month. As the "information era" continues to mature, never before has mobile innovation offered so much to so many in so short a time. But as with all technology advancements, new challenges inevitably emerge. More specifically, as consumers have become increasingly attached to their mobile devices, any interruption in service usage is unacceptable in today's connected world.

There is an ever-increasing expectation for more bandwidth and ubiquitous service. The reality is that although perceived connectivity is high due to cellular network evolution in densely populated areas, many more remote locations still have low to no connectivity and subpar service.

The opportunity to address this challenge is optimistic with carriers recognising the benefits of adopting satellite backhaul technology to reach previously cost- or resource-prohibitive locations. Satellite backhaul solutions will grow as an essential element for enabling a true, high-performance global communication network.

## **Competition is rife**

Competition is rife, as the continent becomes the focus for many international brands. Not all companies will survive; the ones who are flexible, agile, focused on customer service and that provide essential value added service will triumph.

iWayAfrica, the result of the amalgamation of MWEB Africa, Africa Online and AFSAT Communications, is well positioned to take advantage of the growth on the African continent with its footprint and expansion plans. Acquired in December 2013 by Gondwana International Networks, iWayAfrica is confident that its level of quality service, unrivalled customer care and its vast menu of value added services would set it apart and ensure the business continues to grow.

Leveraging our existing HNS platform, KU Band spectrum and a recent agreement with Avanti LLC, as well as a number of other planned developments, the company is growing not only the market, but also its services across multiple markets and verticals.

## **ABOUT THE AUTHOR**

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