

When South meets West

 By [Nadia Takiwaa Mensah](#) 5 Jun 2014

As Nigeria has been declared Africa's largest economy, we are seeing a huge surge of South African companies opening up in key West African countries like Ghana and Nigeria.

The opportunities are vast; there are key relationship ties and everybody wants a bit of the market, yet all that glitters isn't gold!

This article takes a look at some of the challenges we have witnessed our clients experience on their quest to penetrating the West African market and tips on how to better prepare your business.



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Putting things into perspective

Although South Africa is an African country, it operates more on a Western structure than it does African. In terms of business, infrastructure, culture, lifestyle, fashion, art and development it likens that of the West, which makes it very easy for Western businesses to migrate and integrate into South Africa before entering any other African country.

Nigeria is said to be the best representative of sub-Saharan Africa due to its diverse tribes and culture. To be said, a lot of Nigeria's neighbours find Nigerians overwhelming, aggressive, proud and untrustworthy. Let us not forget the recent incident where SA Immigration did not allow Nigerians entry in 2012 and as a 'retaliation' (term being used lightly) Nigeria Immigration served the same dish back to them!



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So we look to Ghana, where stability reigns and where it appears they understand democracy. There are many opportunities which exist within the golden triangle - people are accommodating (yet too slow and laid back), plus the population is small and the city of Accra is expensive!

Reality check

No amount of holidays, research or visits can prepare businesses for the day-to-day life in Ghana and/or Nigeria. It's like when you go on holiday frequently, you never see the reality until you live there.



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Here is a list of a few things that our clients are always shocked about when setting up and settling in Ghana or Nigeria:

1. The price of goods are anything from 100% to 400% higher than what they are used to
2. Finishing of materials are not anywhere near as good as they should be
3. Level of communication is low
4. Turn-around time is very long (a normal process of 60 days can be 120+ in Ghana and within this time frame you may have to start again)
5. You have to know people in high places to get things done
6. In Ghana they don't like saying no and they will string you along until you give up (some Ghanaian companies/individuals can have you believe that they will give you business for three years or more)
7. In Nigeria people don't really care who you are and that everyone is on a hustle
8. How bad the telecommunications networks are in Nigeria
9. They have to be very careful with what they say and how they say it
10. All the cultural requirements can be overwhelming

Some say these are normal challenges that one faces when entering into a new market, others simply say 'TIA' (This is Africa).

Survival tips

Here are 10 survival tips to bear in mind when moving into the West:

1. **Price comparison:** Always compare prices with three vendors to get an idea if you're being over-charged.
2. **Lower your expectations in Ghana:** Ghana is a very simple market and lacks a lot of creative resources, so more often than not they need to be outsourced.
3. **Be cautious when someone offers you the sun:** You may end up with nothing but a shadow. A lot of people like big talking yet cannot deliver. Probe more into their abilities to deliver and how they will approach their work.
4. **Give yourself enough time for execution:** Lights off, bad traffic and poor work ethos can turn a 1-week job into 4-6 weeks, give yourself enough time to avoid disappointment.
5. **In Ghana, try not to shout at your staff in frustration:** Ghanaians tend to shut down when you shout at them. From the moment you shout at them write that day off as no work! They are not motivated by aggression. In Nigeria on the other hand, if you have a good point, your frustration will translate into motivation.
6. **Integrate and understand:** Getting involved with the people is a sure way to understand the market movements and how your product/service can be better aligned and positioned, plus understanding

what the new trends are.

7. **Look after people:** Never get caught up in treating local residents as their counterparts do, you will be asking for big trouble. Although you would be greatly welcomed into Ghana/Nigeria, always remember they are very protective of their people and some are just looking for an opportunity to put a 'foreigner' in their place.
8. **Know your market:** Larger sectors of the Ghanaian consumers/businesses are rather conservative and have a mentality of 'the glass being half empty is OK'. Whereas a large portion of Nigerian consumers/businesses are adventurous and dream big so in their case the cup is never full enough.
9. **Know your market continued:** In general, Ghanaians don't like to spend money, they choose value over quality. Nigerians like to spend money on things which are of high quality and will compliment the lifestyle, albeit business or personal.
10. **And finally, on a lighter note:** Nigerians drink some of the best champagne like it's H₂O whilst Ghanaians are very moderate about when and how they consume the sparkly stuff, so a good old Clu beer is more appealing to them.

In Ghana there is a huge number opportunities - tapped and untapped. Ghana still needs a lot of educating before the market picks up to its full potential.

The average Ghanaian consumers do have a high level of disposable income but brands are not strategic selling the idea of their product and/or service, rather they just sell. In Ghana, things still operate on a traditional buy and sell model.

New marketing initiatives

New marketing initiatives are low and penetration of digital and direct marketing is low as well. Marketers tend to use traditional media to market their products and services. A failing attitude of 'if it's not broken don't fix it' applies in this market but to its own detriment as we are seeing many long standing Ghanaian owned businesses closing down and being taken over by 'foreign' businesses.

Nigeria really is a country where anything is possible. Consumers know what they want and will go out and get it. It appears that Nigerian consumers are more exposed to the West and have strong relationships and alliances, which makes access to products and services in their markets very easy. These consumers will pay for quality and would highly boast of their business investments.

Marketing initiatives are well developed and nearly on par with the West but its penetration is high only in key cities including Lagos, Abuja and Ibadan.

West is best

Moving to the West is definitely a necessary move and once well grounded and established - business is good. Yet, I just want to stress, always remember in West Africa, people are governed by their own sets of rules and to get ahead you need to understand them and strategise your best way around.

Most of the time, what you know from outside doesn't apply to them and they will make sure you know that. Your business can network with different stakeholders and avoid being in an alliance with one specific business, government and/or individual, you will go far.

If your staff buys into your dream and understand the benefit for them in the short and long term it can only

benefit you. Get personal, attend celebrations, farewells and other events - personal relationships are the real drivers of success.

Best of luck with your venture!

ABOUT NADIA TAKYIWAA MENSAH

Nadia Takyiwaa Mensah has lived in the UK all her life until four years ago when she moved to Ghana. She's the CEO and Head of Marketing at Sixth Sense Manifesto and has been managing the company for four years now with six board of directors. Sixth Sense Manifesto operates in Ghana, Nigeria and has an administrative office in South Africa.
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