

# How to expand your startup outside of Africa

African tech startups are increasingly expanding outside of the continent, with South African firms like Entersekt, IoT.nxt and Custos Media Technologies leading that charge right now.

By Tom Jackson 16 Mar 2017



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But doing so adds a whole new strain onto a startup's resources, and requires a different approach to African markets. Here's some tips for making the transition.

## Learn the system

In every country, there are different ways of doing things when it comes to obtaining customers.

"We investigated deeply why we were not getting the clients we needed to get. We have become well versed in the procurement procedure of international organisations and agencies. We had to learn their systems if we wanted to be a part of it," said Daudi Were, who runs Kenyan software company Ushahidi.

## Get local partners

Local partners can be important in smoothing the transition process.

"It is important to have local partners if you are directly involved in deploying a solution. We have a small marketing team distributed around the world," Were said.

"It would be a big challenge – and not a very good use of our money – to have marketing staff in all the countries Ushahidi is used in. But if you are running, say, an election monitoring deployment a local partner is crucial as they understand the context."

## Use the media

Jeanne Maartens, senior vice president for marketing at South African fintech company Entersekt, says the press can be vital. "Appoint a good local media agency well ahead of the first sales campaigns and work

closely with them,” she said.

“Work hard to network, meeting journalists from across the spectrum of all the major trade publications in that market.”

## **Don't forget your home market**

G-J van Rooyen, chief executive officer (CEO) of Custos, says companies can only expand abroad by demonstrating they are trusted by their customers back home. Taking advantage of networks from home always help.

“Our main business abroad is through an associate in the UK who originally ran businesses based in South Africa,” he said, adding trust always runs thicker through expat networks.

## **Overcome language barriers**

Language can be a key inhibitor for any company expanding abroad. But Maartens says this is one of the easiest challenges to address.

“Where required, we make use of good translation services for collateral such as our basic documentation. Where we use sales tools such as presentations and videos, the tools will be in the local language,” she said.

## **Make yourself seen**

Attending events is important, says Maartens.

“Select one or two prime conference events and splash out on a larger booth with a small meeting area,” she said, adding it was important to maximise the impact by setting up pre-arranged meetings with prospects and contacts.

Van Rooyen says Custos too has followed this approach.

## **Speculate to accumulate**

That said, Maartens says there is a need to be selective as events can end up being very expensive. Expense, however, is inevitable.

“Good marketing is expensive all over the world. If you market abroad and your own currency is weak, it can be prohibitively expensive and you need to spend your money very wisely for maximum impact,” she said.

“But you do not actually have a choice: without marketing, you do not break into a new market, nor sustain an existing one.”

## **Product is key**

You can apply all the innovative marketing strategies you like, but, in the end, it still all comes down to the quality of your product.

“We make sure the product we ship is robust and excellent to the standard customers expect in any other

software they purchase. So long as it works properly and elegantly no one really cares where it is from. For example, I think most people do not know where their anti virus software was written," Were said.

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