

Net Prophet 2010: digital explosion in Africa imminent

Net Prophet 2010 almost doubled its attendance figures since last year, filling the Old Mutual Business School auditorium in Pinelands, Cape Town, South Africa, to near capacity yesterday Thursday, 13 May 2010. Geeks and non-geeks alike gather at this annual event, along with industry thought-leaders, to share experiences, insights and a way forward with budding technology entrepreneurs.

 By [Sindy Peters](#) 14 May 2010



With Africa growing its web services and web-enabled commerce services, digital innovation is on the rise. Two of the conference's "Prophets", Kenya's Erik Hersman and Stefan Magdalinski, believe an explosion in Africa, on the digital front, is imminent.

Bridging culture and technology

While current stats reveal that internet penetration on the continent is far below that of the rest of the world, Hersman, co-founder of [Ushahidi](#) and founder of [Afrigadget](#), believes the current market is still "ripe for the picking." Citing examples such as [Mobile Planet](#) and [Yam.mobi](#), he advised that in order to reach the African market there needs to be a "paradigm shift in understanding" which requires a different type of entrepreneur dealing with a completely different culture.

"It's about understanding what users need...understanding how to bridge culture and technology," says Hersman. He observed, having travelled widely throughout Africa, that the digital divide is not between the rich and poor but rather between rural and urban.

Viable opportunities

According to a mobile advertising network, "Kenya is proving more lucrative per subscriber than SA," and Hersman pointed out that there will be a rise in the numbers of entrepreneurs to meet that market. The first generation entrepreneurs of today will need to get out of their comfort zones, says Hersman, in order to see that there are many viable opportunities on the continent.

Fastest continental bandwidth rollout

Magdalinski, CEO of [Mocality.com](#), runs a mobile business directory that provides services and tools for the Kenyan market. He noted that his was the hunger-, corruption-, war- and poverty-riddled "BBC perspective of Africa until he showed up and the same stereotype is applied to the internet. Magdalinski advised that the number of people connected on the continent is rising rapidly, highlighting that Africa had the fastest continental bandwidth rollout ever.

He suggested scalability, affordability, modern technology, quality, sustainability and aesthetics as key areas to focus on when attempting to enter the African market. He examined Kenya's Safaricom-operated M-PESA (M for mobile, pesa is Swahili for money) as one of the most successful tech-driven money transferring

operations in East Africa.

Call to arms

M-PESA's transfer cash via sms facility is now three years old with 9.5 million users experiencing 50% year-on-year growth according to Magdalinski. Mobile money for this market is important in that transferring remittances is now less time consuming, there is transparency, and users feel safe in storing money and investing as both become easier. In addition, M-PESA offers many avenues by which users can spend an earned money.

Magdalinski ended his talk with a "call to arms" for prospective African entrepreneurs to look at the potential of the continent as he believes it is on the brink of a revolution. SA tech entrepreneurs are better placed to capitalise of these markets and should rather look at opportunities at home, he advised.

This year's conference, hosted by the RAMP Foundation, was sponsored by Old Mutual, RSAWeb, White Wall Web, Yola and twokats Communications.

For information, go to www.netprophet.org.za.

Follow Erik Hersman on Twitter: [@whiteafrican](https://twitter.com/whiteafrican) and Stefan Magdalinski: [@smagdali](https://twitter.com/smagdali).

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