

Technology start-ups are boosting Africa's economy

The [WTM Global Trends Report 2015](#) reveals that technology start-ups are flourishing across Africa which is helping to boost the economy and offer a fresh image to international tourists.



Image:
www.freedigitalphotos.net

According to the World Bank, over half of the countries in Africa now have at least one tech hub with investments in this tech hubs doubling last year, reaching \$27m.

Two examples of these 'aspiring Silicon Valleys' in Africa are Hope City in Ghana and the Konza Technology City in Kenya. To be successful these hubs must have investment in infrastructure, including transportation and education. All of the new technology cities have plans for hotel developments, which hold potential for both local and international properties.

The travel industry is likely to reap the benefits of technology start-ups with increased domestic, regional and international business travel to a variety of countries in Africa. Business air arrivals are expected to post a Compound Annual Growth Rate (CAGR) of 5% for South Africa and 6% for Kenya over 2014-2019, according to Euromonitor International.

Business visitors

The increase of business visitors to the continent, due to the tech hubs, is likely to have a knock-on effect and encourage more leisure tourists as facilities are upgraded and improved.

Due to the greater visitors, there is also an increasing number of travel start-ups including Hotels.ng, Nigeria's largest online hotel booking site. Mark Essien, CEO at Hotels.ng believes that the travel industry is benefiting from the increasing number of technology start-ups.

"The growing technology sector in Africa is helping to expand the travel industry. Easier online discovery combined with

growing consumer confidence in online bookings has made it extremely straightforward for us to cater directly to travellers' needs," said Essien.

Another company, AwesomeSouthAfrica.com, has created an app that caters specifically to tourists and locals by using location-based data to find restaurants, hotels and activities in their vicinity.

Knock-on effect

"The introduction of technology hubs in Africa can have a massive knock-on effect for the whole continent. Not only do they provide a huge increase of jobs and boost economy but it benefits the whole travel industry with increased flights and hotel bookings," World Travel Market senior director, Simon Press, said.

"With technology start-ups flourishing across the continent, Africa is entering a new era of innovation leading to greater economic and social benefits. The technology start-ups will also help change the perception of the continent to international tourists," added Caroline Bremner, head of Travel at Euromonitor International.

For more, visit: <https://www.bizcommunity.com>