



EXECUTIVE SEARCH



Focus on Africa – A look at business opportunities, growing markets and how to find the right talent

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Since 2016, CT Executives and africon help companies for their HR growth in Africa.

**WHO IS
africon?**

**A hands on
consulting team
with extensive
Africa
experience**

ESTABLISHED

2011

SOLE FOCUS AREA



KEY BENEFITS

Reduction in costs
Reduction in time
Reduction in risk

EXPERIENCE

More than

21 years

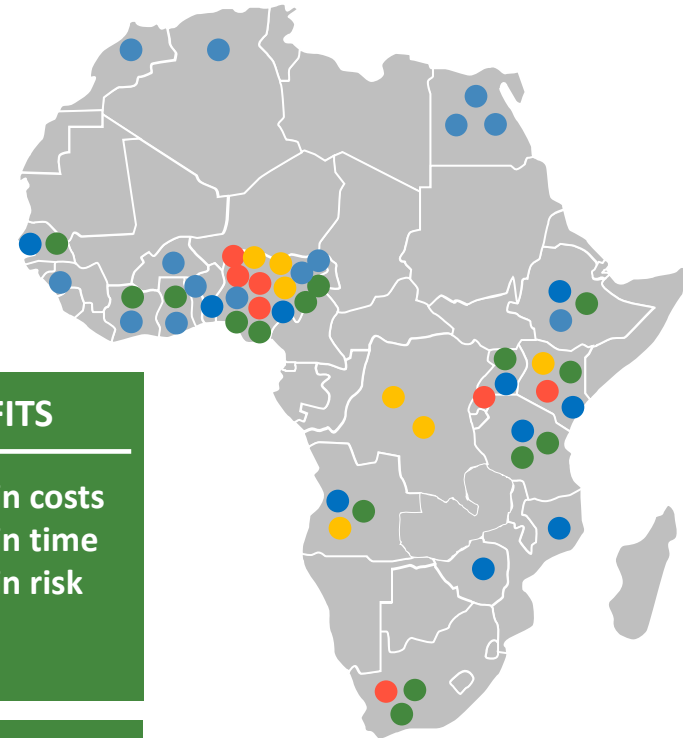
of experience in
business with Africa.

CT Executives

**Nigeria
Kenya
Ghana
South Africa**

HANDS ON

**From day one
africon works
hands on.**



Project completed in...

- Raw & input materials
- Machinery & plants
- Consumer goods / finished products
- Services



This is Africa

Africa does have various slums and overcrowded areas...



.. but it is also home to modern urban areas with consumers demanding all kinds of products.

Nairobi, Kenya



Luanda, Angola



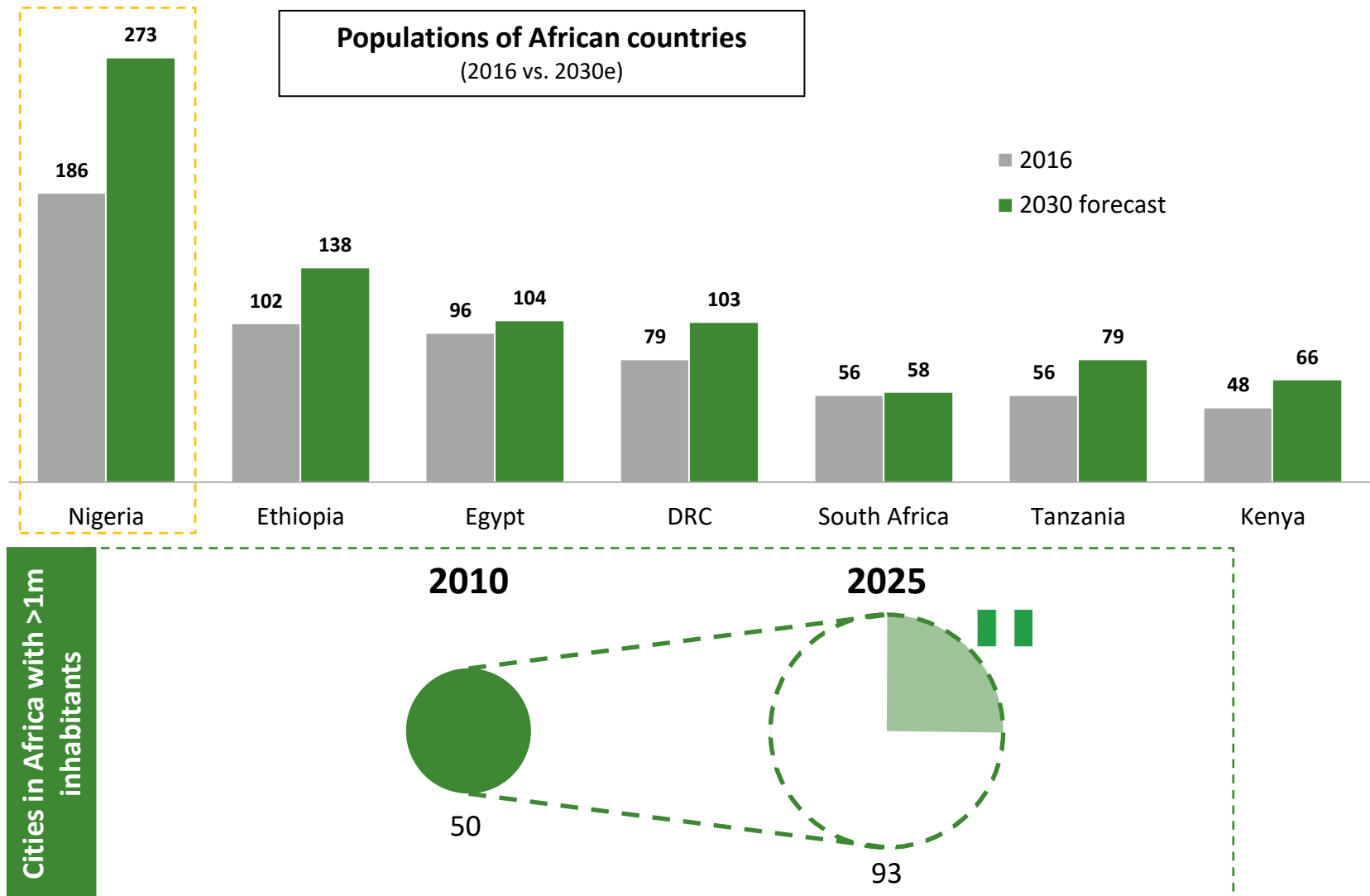
Dar es Salaam, Tanzania



Lagos, Nigeria



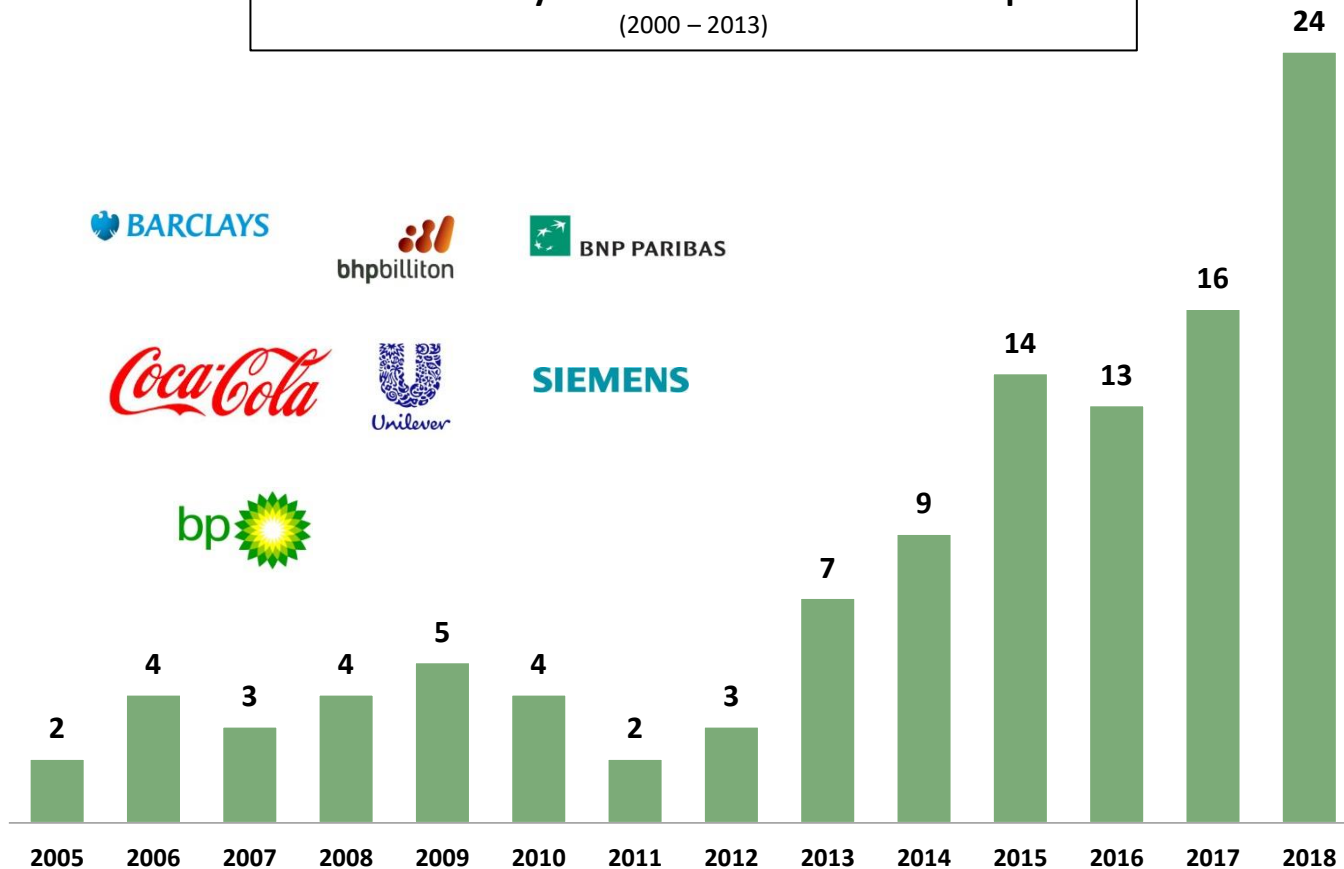
Population growth – especially in cities – is a key driver of growth in Africa.



Source: UN Population Division (2014), worldbank (2018)

The CEO interest in rising on Africa and major organisation are taking Africa to the board level.

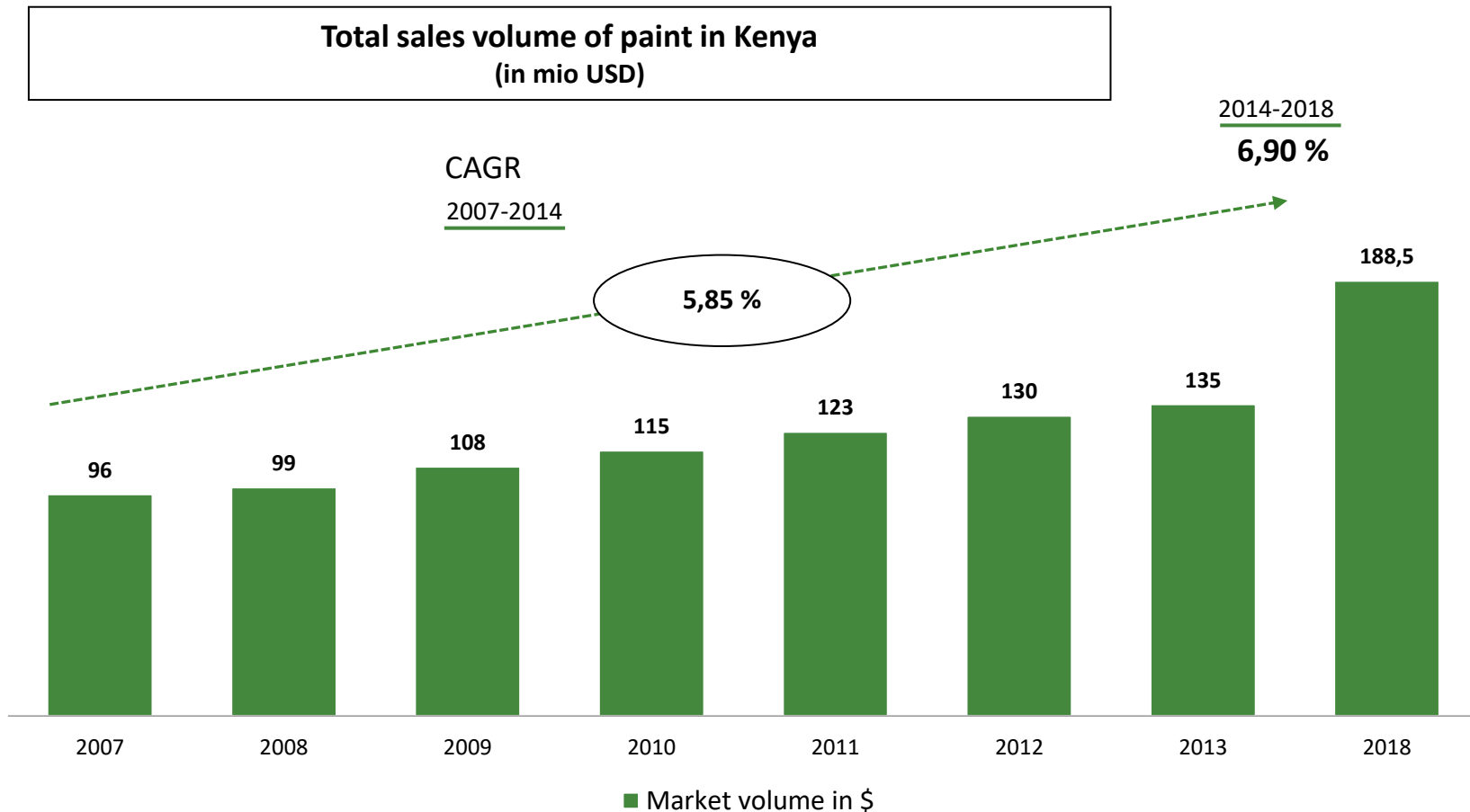
Visits to Africa by the CEO's of 27 selected companies
(2000 – 2013)



Note: The following companies have been surveyed: Barclays, BHP Billiton, BNP Paribas, BP, Chevron, Citigroup, Coca-Cola, Daimler, Ford, General Electric, Hewlett Packard, HSBC, Hyundai Motors, Mitsubishi, Nissan, Novartis, P/G, Pepsi, Samsung, Sanofi, Shell, Siemens, Societe General, Total and Vodafone.

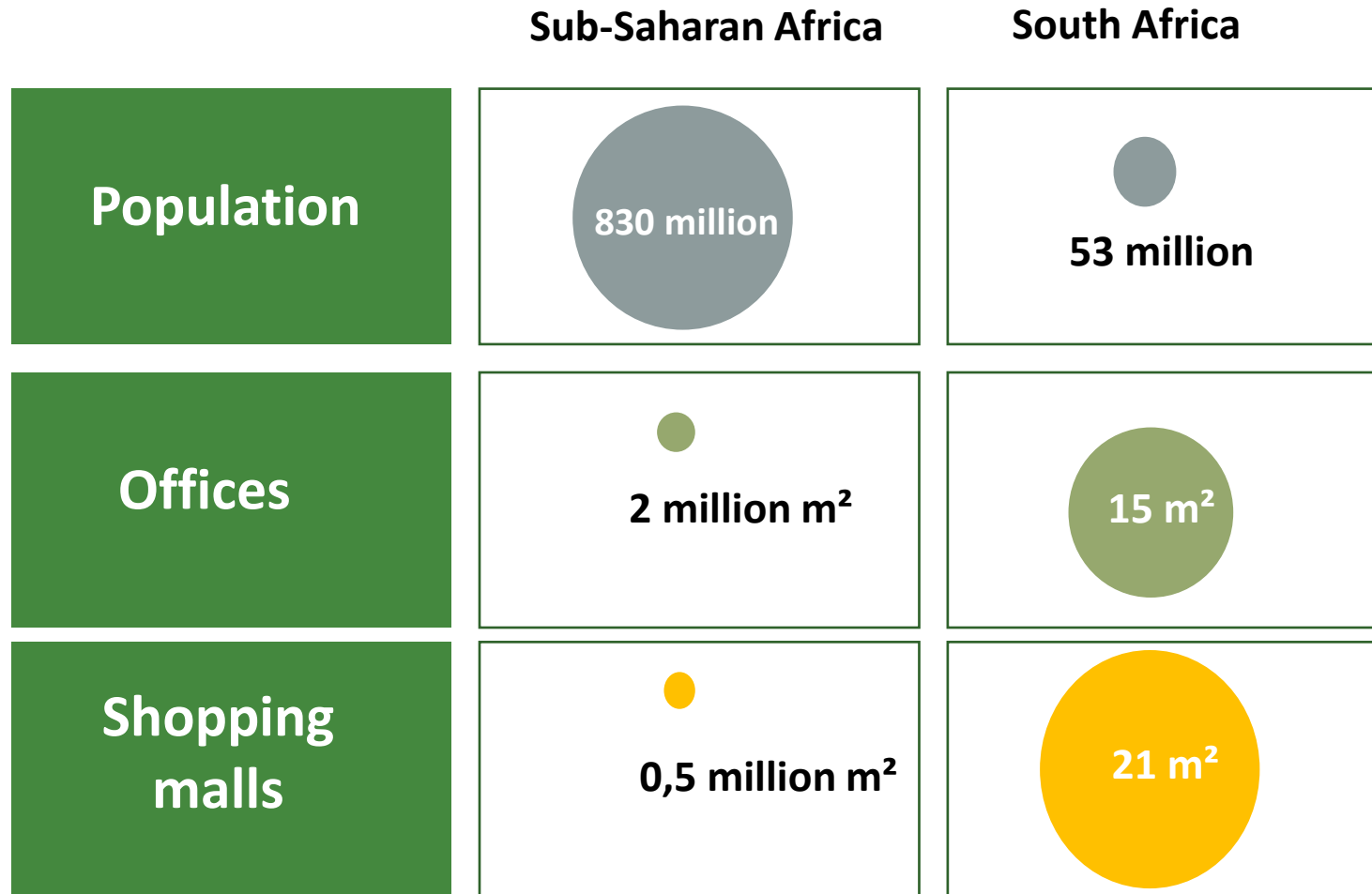
Source: Annual reports, press and news, BCG Analysis (2013)

The Kenyan paint industry has grown rapidly during the last years and will continue to grow at approx. 6%.



Source: HIS Chemical Week (2013), Frost and Sullivan (2014), africon estimates

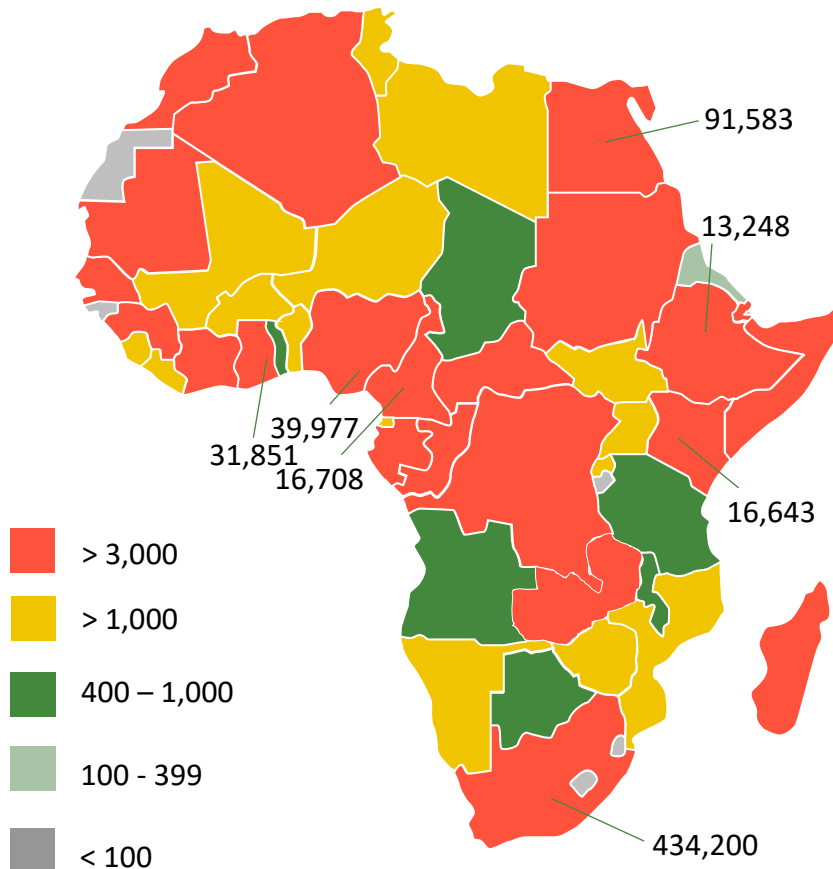
With strong potential for real estate there exist various chances for companies in Africa.



Current situation (as of July 26)

The number of Corona infections increased in overall Africa and there are large disparities between African countries.

Number of confirmed Corona virus cases
(total number: 789,226, confirmed deaths: 16,715)



Country insights



Kenya

Since the 6 July Nairobi and Mombasa are not in a lockdown anymore. Kenya Airways started with national and domestic flights. There are still curfews during the night.



South Africa

Having the highest number of cases on the continent, the national disaster situation was prolonged until 15 August. There are still nighttime curfews.



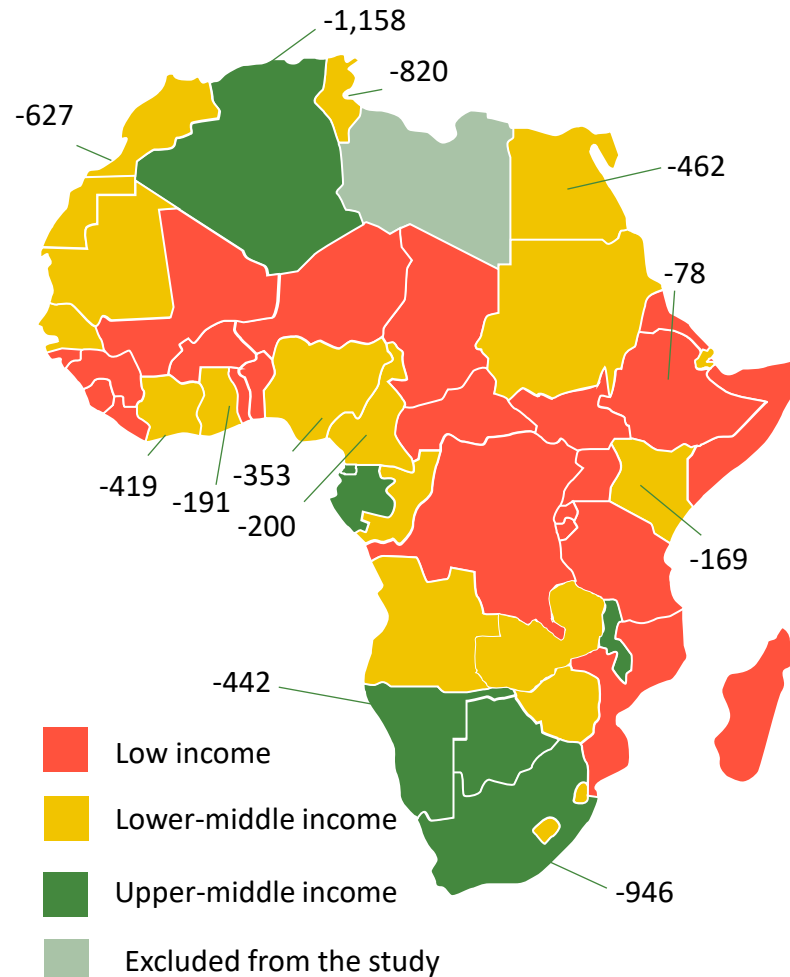
Nigeria

The Central Bank of Nigeria provides several measures to combat an economic crisis by offering a fund targeted at households and small enterprises and by cutting the interest rate.

Sources: JHU (2020), Africa News (2020), GTAI (2020), KPMG (2020), Anadolu Agency (2020)

The GDP is expected to decline in all African countries due to contractions of the economy.

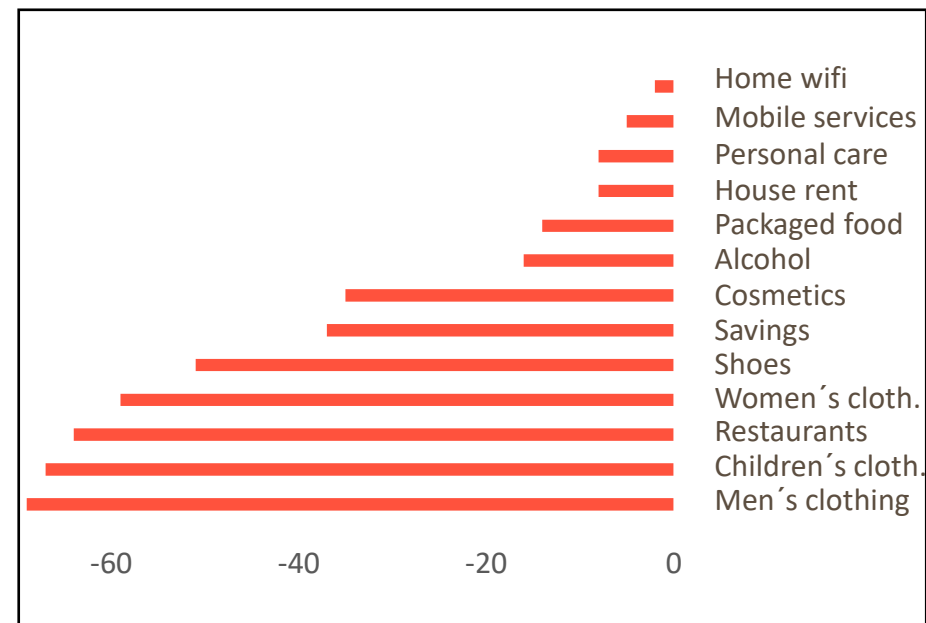
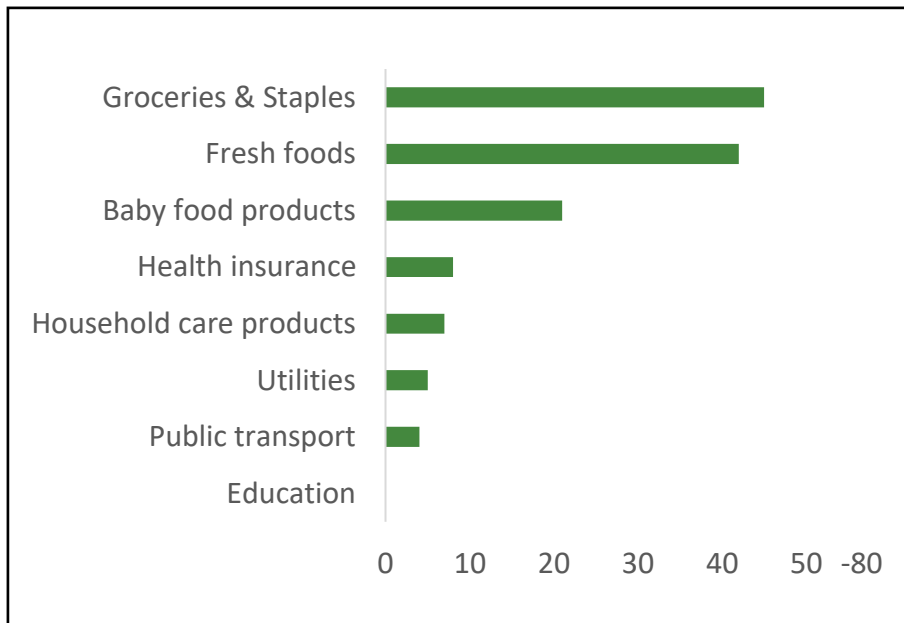
Development of the GDP per capita
(in USD, in comparison to 2019)



- GDP decline averages
 - Low income: 66 USD
 - Lower-middle income: 302 USD
 - Upper-middle income: 924 USD
 - Overall: 44 USD
- Especially in the upper-middle income countries the GDP decreases to a large extent
- Different scenarios were made
 - GDP will recover to 2019 levels in 2024
 - GDP will recover to 2019 levels in 2029
- Growth rate expected to be 3.2% instead of 3.8% (which was assumed before COVID-19)

Essential products and services remain important while discretionary products have a lower priority and will be purchased less.

**Intention to purchase (more or less)
in the next 6 months
(% of respondents)**



Due to the COVID-19 pandemic consumer behavior shifts and therefore demand changes. These changes will have an effect well beyond the current crisis.

Will we find a market in Nigeria?



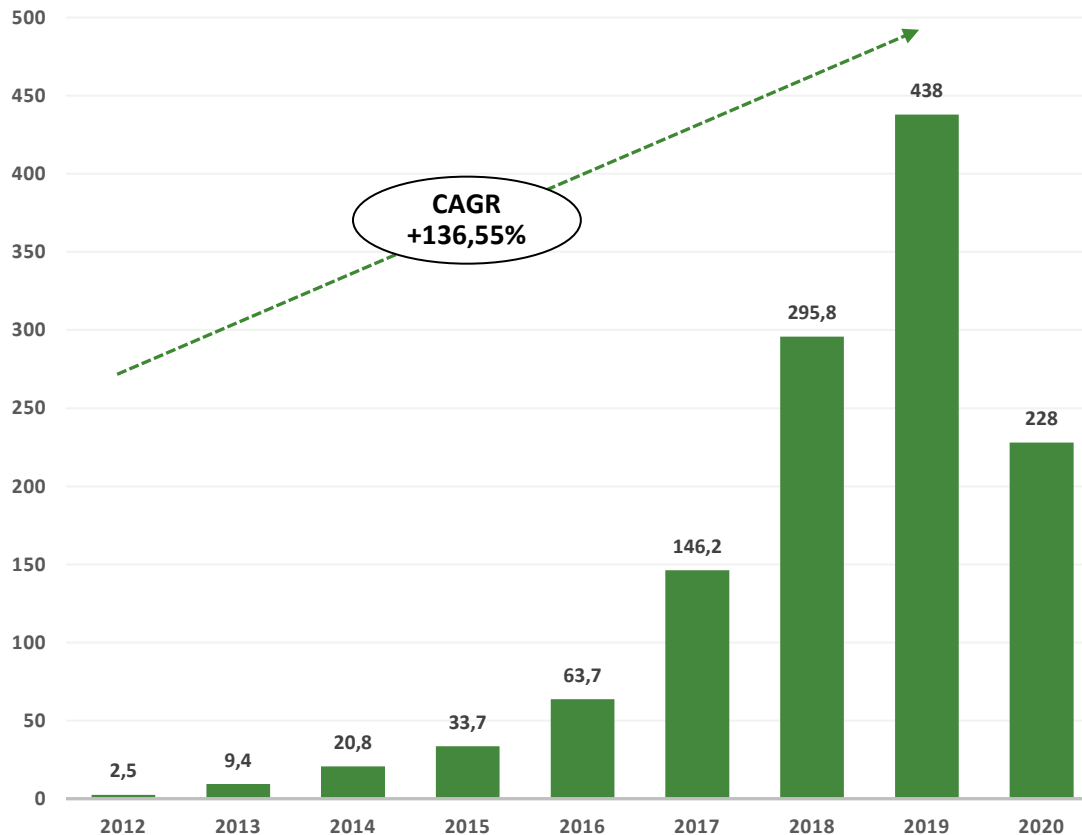
Hey africon: If all people in Nigeria will be facing a lock down will the number of POS transaction rise in Nigeria?

Can we find the right clients in the market? Who are the largest banks? Can we speak to them now and see what they do? Which debit cards do they use?

Imagine you are in the business of EC cards

africon delivered a strategy on how to grow in the Nigerian market.

Transactions on POS systems in Nigeria
(2012 – 2020)



Project management

Overview on the market in Nigeria with key clients e.g. banks, IT companies etc.

Organisation of Skype discussion with key implementation partners in Nigeria via Web Ex.

Agreement for German “Mittelstand” company with Nigerian partner.

Note: 2020 numbers are until April 2020

Source: Central Bank of Nigeria (2020), NIBBS (2020)

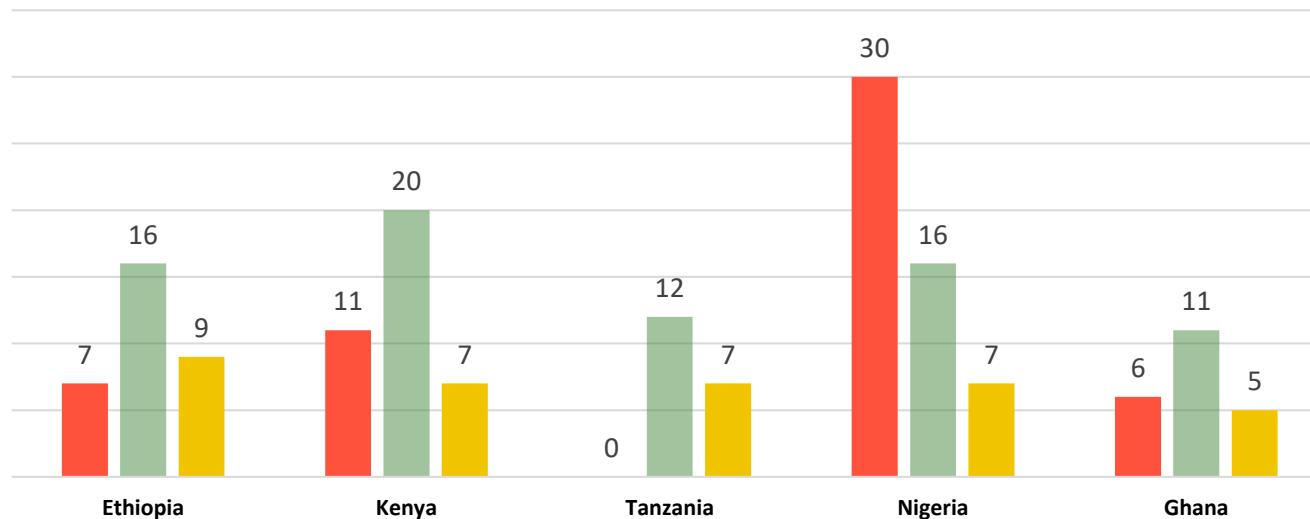
Will we find a market in Nigeria?

Hey africon: As Nigeria has put the import taxes for medical equipment to 0% is there a chance to identify the key clients in Nigeria? Who are the distributors? How do we increase our business? What is happening in other markets?



A total of 35 interviews have been conducted in the 5 selected countries.

Interview status



XXX Client customers (54)

(Companies that already have XXX Client machines based on the list provided on the list of customers provided)



Additional identified companies (75)

(identification took place via personal market knowledge, local business network & desktop research. It covered all companies relevant to XXX Client)



Interviews with potential customers (35)

(A meeting was held and a short MOM was typed. Note)

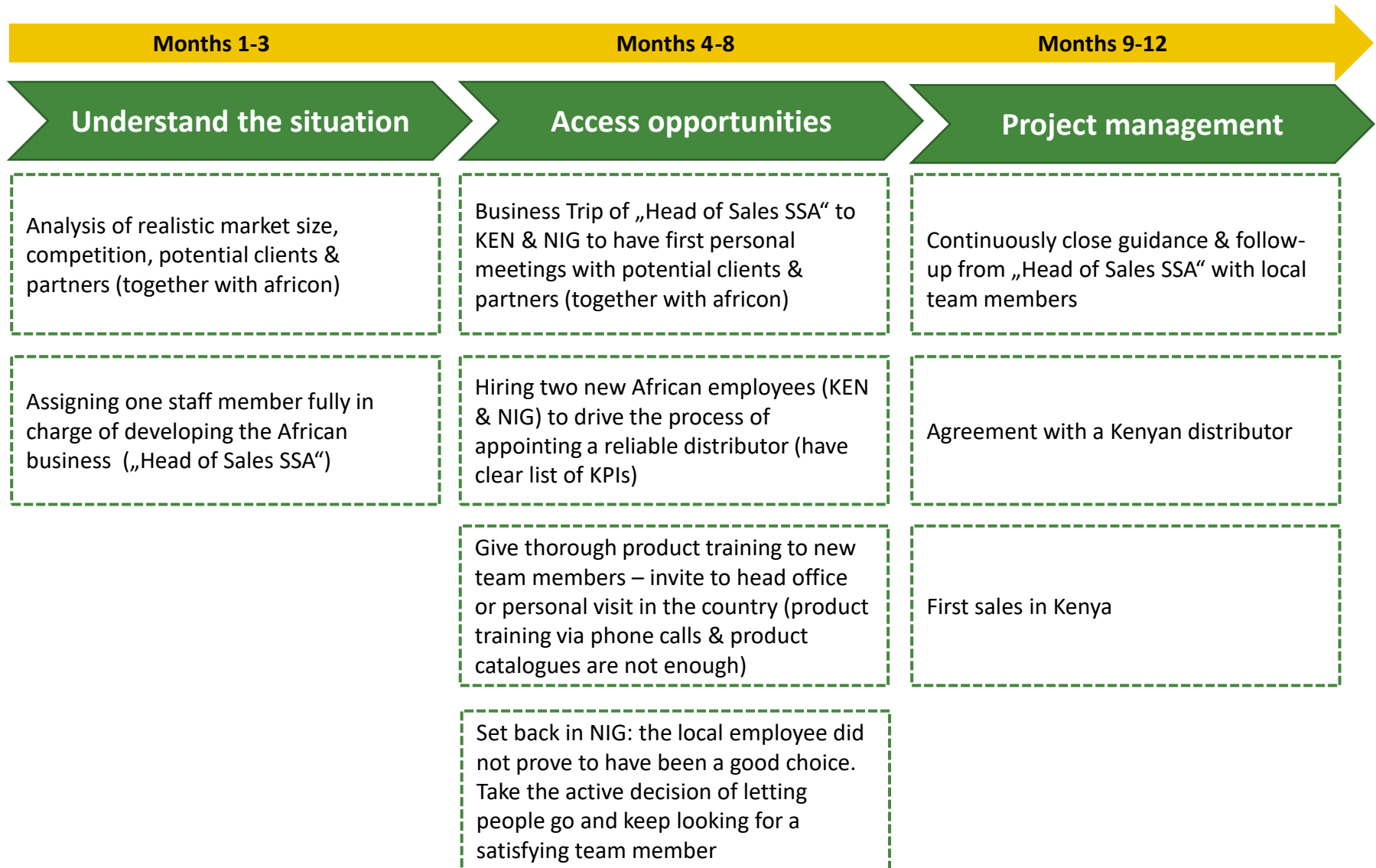
Will we find a market in Nigeria?

Hey africon: How do we penetrate the market of Nigeria and Kenya when we cannot travel to both markets?

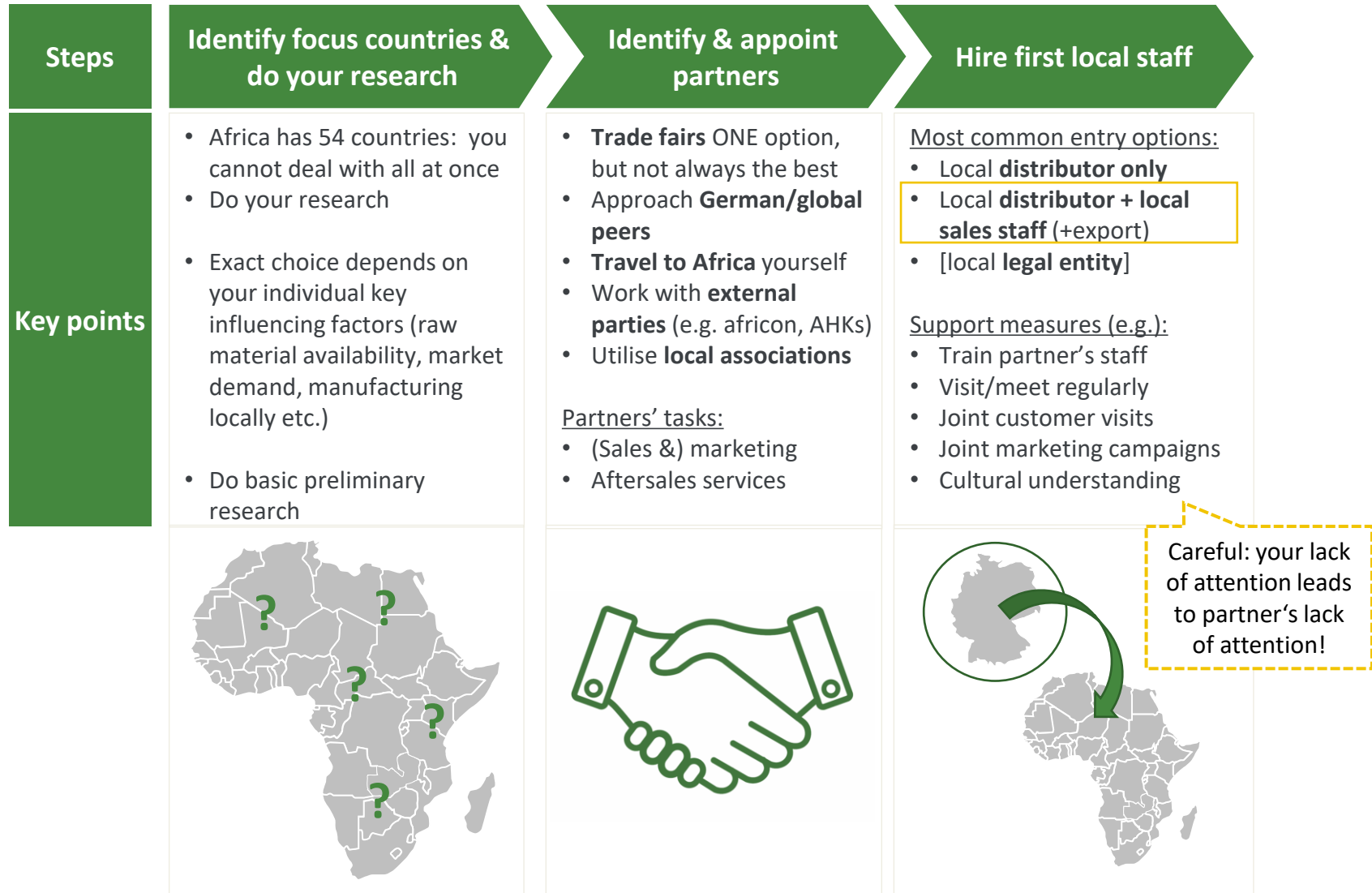


Practical example: market entry Nigeria & Kenya

Market entry in times of Corona.



If you want to become active or grow in Africa, it usually does not require huge investments.

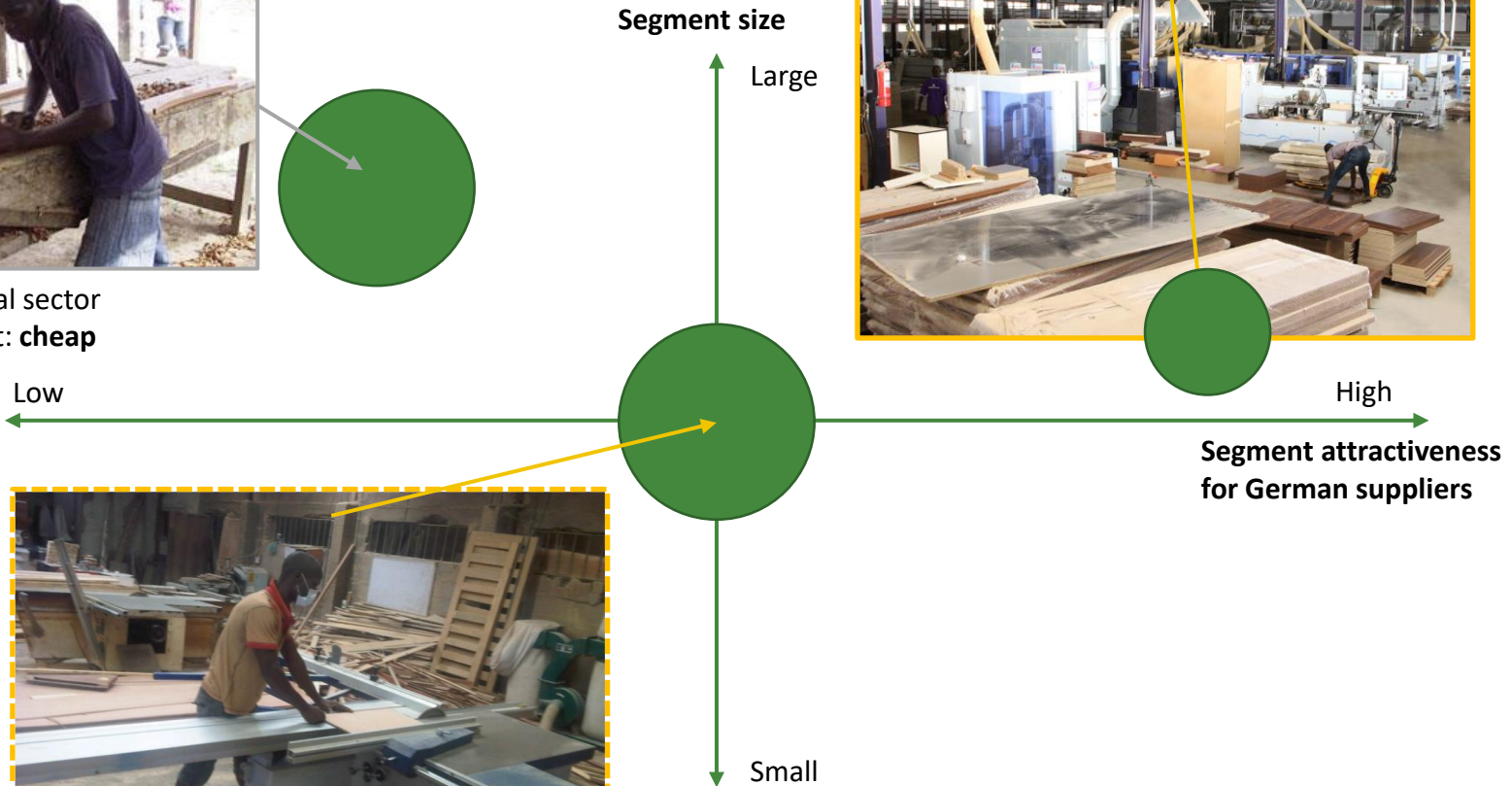


Who are your customers? Example: woodworking firms

Finding your target market is key.



Artisans & informal sector
Machinery bought: **cheap**



Small & medium sized manufacturers
Machinery bought: **Medium**

Professional premium manufacturers
Machinery bought: **Medium - Premium**

Is there need for a cultural adaptation to business?



Questions?

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