

Keynote Address by Sophia Bekele

Africa: The Next Frontier For Mobile

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Good Morning Everyone - UC Haas, Students, Faculty, distinguished guest, and all protocols observed.

We should all congratulate ourselves for coming in this Saturday morning, sacrificing our weekend. But we are doing it for a great cause - AFRICA. I also know you have a full day of program, so I plan to keep my talk with you to a 20 min.

First, I want to thank the organizers for inviting me to this very important forum to share mine and my organization perspectives and expertise, as it relates to the Next Frontier for MOBILE for Africa – which you aptly titled.

I always like to point out how and why I accept an invite, especially if I find it interesting. I received your invite from the organizers via social media, twitter, a source I was not acquainted with, that is Mr. Oseyi Ikuenobe (an MBA Candidate), and however, I also find now that it was in fact from a member of faculty that was following our work. On behalf of my organization, I thank you for that.

The timing of this invite was a quite a coincidence in fact, because I was reading an article titled “Why the Future of African Business is Social”. In any case, few things got my attention. First, I saw it was from a fellow African, second, the message sent was very much on point and clearly articulated on what you folks wanted to do, and, by far was admirable and useful to Africa, and must be supported, and therefore is why I am here!

The Haas School of Business is one of the best rated Business Schools, so we appreciate that it is lending its support to Africa. Obviously all of you have the privileges of getting top grade education. The fact that you are near San Francisco and Silicon Valley, a famed hotbed of major innovative businesses like Google, Facebook, Linked-in and many others no doubt, is a great motivation for the numerous possibilities and to transfer your knowledge and contribute to Africa.

Therefore congratulations on your new initiative.

Just to say few words about my journey from Africa, I am from Ethiopia. I was no exception in seeking the success of the “America dream” as it is often said. I have achieved that dream - through education, working in Corporate America, house in a nice suburb, and all the blings you can think about, (I know Berkeley is not into blings, you all graduate to Save the World;) . In any case, before I complete the family and two dogs kinda thing, (which I dodged those bullets, looking back) Africa called for me – so then my priorities got refocused - I also tried to save the world with a vision called-bridging the digital divide - and I was there. The rest is history, and I tell you, my experience has been one Epic adventure to another.

So, looking back at our activities in Africa and to share few of the notable experiences we have had, with you, (I believe I also shared some insight in Q&A form on your forum site) - all I can say is myself and my companies are very proud to be part of the African history of building the information society and the Super highway (called the internet), getting involved in building capacity, policy development, and empowerment of youth and women in Africa, for that matter, and we are still there. It is never easy, but the struggle continues, as progressives would say.

To summarize briefly these contributions (since we may be constrained for time) by way of lessons learned, particularly for you, young African Diasporas, on how we did it in Africa, - the key is “participation”

When I started my first business right here in Walnut Creek, CA in the early 2000 for e.g., I positioned the start up to participate in “International bids” to deliver services in Africa and we found that we were winning bids on technology delivery services, and end up to being the first to introduce and successfully commission (not all projects get finished in Africa trust me) a fiber optic based integrated Information Infrastructure setting up Campus wide Network for governmental Clients in my country with internet and intranet and all communication capabilities. Most of these projects have far ranging implications as there were large scale in nature, and were set up to connect regional organization in Africa.

Obviously one needs a solid field support to perform well on the ground, you can’t do it alone, so I also set up an affiliate local company to provide the required support and field services and also invested in another that was already doing basic education and training services for capacity building and we built a client base from there.

My own father who was a very successful entrepreneur in his own right, was always surprised how I used to “pull this off”, as he used to say to me, particularly as a woman you can imagine in a male dominated business sector. It was through sheer vision, ambition, strong work ethics, of course, also the very disruptive power of the Internet allowing young people and new comers like us to compete fairly with established businesses.

After such works, we were pioneers in introducing many innovations including the DNS business, building web sites, registering domains and providing hosting services etc, which seem trivial now but very innovative and powerful business model at the time and very useful to the beneficiary organizations.

The next impact we made was of course our very famous “Yes2dotafrika” global awareness campaign (also in the DNS business), with an aim to brand Africa on the internet by registering a pan-African “.africa” domain name. Obviously this opportunity also came via participation in the organization that issues the license for it, called ICANN, a California based company. I was appointed as a policy advisor to ICANN when I came across this opportunity and asked what can I do for Africa? and thought I should bring this domain to Africa. I then anchored our campaign on 3 KEY principles. To brand Africa on the internet with the various products and services; to host the infrastructure & services in Africa so as to build capacity, as well as encourage Africans to purchase .africa domain and pay an African company instead of the current .com companies in US, so as to fight capital flight; and finally to utilize the partial profits we get to apply it to projects of social responsibility.

Looking back nearly 5-6 years ago, our “the first mover advantage” for our campaign and what we observed to be next powerful communication tool on the internet was Social Media. The power of social media allowed us early success to market entry especially before we got investors interested to fund our project.

We were also pioneers in creating the first ever multi-lingual social media campaign, English, French and Arabic in term of reaching targeting audience. It was very effective and also powerful in making that very emotional connection with our audience in their spoken languages. It was all too rewarding a work not to appreciate.

Currently, we are developing our presence on new media platforms such as digital TV and collaborating with established pan-African digital partners to provide African based content as well as working on mobile apps to use our current platform dotafrica.mobi as a one stop pan Africa product or service. The next frontier as you rightfully identified is Mobile technology. Therefore, we continue to participate. If there is anyone here that has an idea that wants to work with us, we welcome you.

Finally, Social Entrepreneurship has always been important to me personally, since I started my entrepreneurship, therefore, we have therefore successfully launched an education program for youth and girls now, which we recently consolidated under a DCA Academy, to provide digital opportunities and empowerment.

Now that is on our work - What I think is the Next Frontier For Mobile Technology is as follows:

Mobile Technology - comes at an opportune time when Africa is NOT only seen as the most promising continent, in terms of internet technology but also business. (Perhaps reason why you entrepreneur types wanted to have this discussion today. Early this year, when we published our company’s 2015 New Year’s newsletter, we titled it “The year of Creative Disruption”, and made several technological predictions such as smart phones to read minds; cognitive computing; blackphone rollout, digital wearables, Streaming, Cloud Security etc.

How many have heard the recent news in Google changing its algorithm for the search engines to favoring mobile friendly websites I knew of it because my people within the 24 hrs of hearing the announcement changed all digital sites we own to comply with this new algorithm and sent me the list. This is now survival of the fetus. Sink or swim Go Mobile or GO nowhere. Therefore, you can be sure that Web designers now think about how you’ll experience a site on a phone or tablet before they think about how you’ll see it on a desktop. So the future of what I call “Digital Opportunities” is definitely defined by Mobile technologies.

So, if we look to some statistics since the first cellphone call was made 42 years ago (did not know that myself), where are we likely to be headed next globally? The annual growth rate for data traffic, i.e. (volume of data passing through the networks) is a stunning 50% year on year, with a quarter of that demand being for video. Data speeds are on the rise and in demand. Just in past two years we have moved from 3G data rates to 4G 1.5 Mbps to 2.3 Mbps, and expected to reach 4.0 mbps by 2019 (4yrs). This is good for business and so helps boost a country’s GDP (Deloitte. Also by 2019, more

than half of all devices connected to the mobile network will be on “smart” devices. The Middle East and Africa are expected to experience this mobile data traffic growth of any region followed by Central and Eastern Europe and Latin America.

To your key questions, relating to Africa - What will the Continent look like in 10 years? How will the adoption of the mobile and Internet transform how business is done?

Mobiles have already made many headlines in Africa playing key role— in education, health, entertainment and politics. But, part of the mobile telecoms revolution is also about building sustainable business models from the provision of services. From the business stand point, creating disruptive business models that will break monopolies through innovative solutions, forms the last mile access point for the users and this is where opportunities lie. It is said, 40% of adults in Africa have a cellphone and the number grows every year. Millions are also converting to smartphones. Africans are already more accustomed to paying with their cellphones than many Americans. Here in US, our phones are hardwired into our daily lives. Global statistic says; People look at their mobile phones an average of one hundred times every day. But even more so for Africans.

So what are some of innovative “business” models that are working in Africa?

Kenya has been the leader so far in this industry. Kenya’s Equity Bank was the first in the world to offer a completely mobile bank account. One of the best examples (work of a Genius) is the African Mobile money [Mpesa] launched by Safaricom Kenya, with over 18,000 M-Pesa agents in 3 Year launch vs 1,400 traditional banking locations (branches, ATMs, etc.) I recently read the new version of this product is underway (M-Pesa G-2’ platform) as Safaricom refers to it, a huge deal for the Kenya’s mobile money ecosystem. It would be locally hosted infrastructure (I think they are copying our .africa model – By the way, Safaricom is our technology partner in hosting services;), double or triple transactional speed and API capability allowing virtually infinite interface with any new software, making it very ‘future-friendly’. They also announced immediately after that they will be going after 19 African countries in partnership with MTN, which was news to me. Safaricom has always been proudly Kenya i.e. Kenya centric. But this is what happens when monopolies break via competition and this is an excellent example of such.

According to the recent report by “Flurry”, a mobile analytics vendor, Apps Usage Dominate Browser Usage across smart phones and tablet. Looking at some of the success stories in innovative app usage, that have known to solve local problems, which you may already know include, M-Health, [iCow](#), billed as “the world’s first mobile phone cow calendar,” allows dairy farmers to track the gestation periods and progress of their cows. It makes use of SMS and voice services to do so, Weather apps such as FarmSupport, accessed through the Internet and mobile phones, and Crowd-sourced apps to enable users manage crisis, information sharing, or fund raising.

Mobile Ads have naturally becomes the next frontier on mobiles, have attracted big US companies to invest in Africa, whereby they are fighting for the mobile ad money which makes part of the annual billions. If you are a marketing professional, you can no longer afford to ignore or leave out mobile advertising as a targeted and effective engagement platform. Global giants such as Visa and MasterCard have both been reported to have launched new mobile card services in Africa, eager to get a slice of the continent’s growing mobile payment industry.

There are various other New Frontiers for internet services complimentary to mobile.

According to [Frost & Sullivan](#), the regions e-commerce market is estimated to reach \$50 billion within the next three years, from just \$8 billion in 2013, mainly due to a rapidly growth in mobile and Internet markets throughout the continent. - Jumia, Konga, OneMedia Africa are some of the early successes. DHL also expects 2015 to be a year of growth for the logistics industry on the African continent, largely driven by the e-commerce industry.

New Media (NM) is a collection of several platforms that exist in the internet space and as most of you may be familiar with these, it includes Vlogs or video blogs, Blogs, Social Media Platforms, Wiki's. This is presents a new place of conversation for digital opportunities and as such can be harnessed to provide for not only social but also commercial benefits.

Let me start with the social benefits of NM which are obvious now: People are accessing and purchasing generated mobile data to connect to all social media platforms, as you can see NM also remains disruptive and comes with either a catalyzing or diminishing effect on key areas of our lives. You all can recall the Arab Spring uprising which started in Africa where how millions were mobilized for, also to co-ordinate efforts in the fight against the most recently conquered Ebola. I know it was very useful to us when we run our “No campaigns”, when our opponents were detracting our progress in our popular “Yes Campaign”. As I mentioned before, NM also creates commercial opportunities for “startups” where marketing budget is limited and is the best platform to start and grow your community of readers and customers and what not.

Individuals are using NM to build personal brands to help them get jobs, sell their expertise and skills or to win fans. More and more African CEOs, Executives and Industry Leaders are becoming visible on social media, particularly Twitter, which makes networking easier than ever. - You don't have to tell that to Mr. Oseyi. He already knows;) Musicians and actresses are also building huge social media followings and to monetize their work. In Presidential elections as we know it, President Obama has creatively used FaceBook to his advantage. In Nigeria, President Goodluck Jonathan, is said to have appointed (Co-Founder of Social Media Week Lagos), as his Senior Assistant, the first ever cabinet level appointment. Bottom-line is, one can make creative use of NM and develop relevant content that will rake in revenue from adverts or for building brands and or win community support via communicating your message. Either way the upside of NM is huge.

Other New Frontiers include Developing Local Content or Digital migration, as it is called, also, the gaming industry is also trending in Africa, green energy solutions are also getting popular providing solar enabled services to fuel the growth of also the mobile device, so there remains a huge energy gap that needs to be filled.

Finally, if I have to leave you with few thoughts for those who want to starting a new initiative?

Develop a good business model that focuses on the mobile device framework that can take advantage of all what we have talked about, But beyond consumer engagement, think also of ROI. New Media and Local content should be part of your ongoing communication as well as monetization strategy, Please mainstream women into your efforts. The gender gap is more pronounced in the developing

world, where according to ITU, 16% fewer women than men use the Internet, compared with only 2% fewer women in developed world. What this means is, if you can create services that can be attractive to serve the gender gap, you can leverage these numbers to make revenue.

In closing, the only personal advice I can give you is, by setting up this forum, your vision is already there.

Africa is the land of digital opportunity. However, Africa's Digital Opportunity is also NOW. So "PARTICIPATE".

From the perspective of Entrepreneurship and or any initiative you want to start, particularly in Africa "Think digital and Go digital." And when the going gets tough, hustle harder, listen to PSquare's "Testimony", gives you perspective, he is a sort of a modern day Bob Marley for Africa. If you fall, stand up ---again and again. That is our history and this is how we will build Africa. At an individual level, let no one define you but you. This is very important and I promise you, you will know what I mean, when you get there. Because that is how you leave your personal legacy

Believe in yourself - just because the majority says they are RIGHT does not mean you (on person) is WRONG. But you already know this in Berkeley ;)

Thank you

I will now leave the floor to your distinguished moderator, Dr. Shashi Buluswar