Designing for emerging markets: the challenges businesses face in Africa

By Vahid Monadjem and Dale Humby

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Emerging markets are full of opportunity for the clever entrepreneur. Across Africa, Asia and South America are countries with millions of underserved consumers. These people may be living on very little, but their basic needs are similar to those of wealthier people in more developed countries.

In their paper, *The Fortune at the Bottom of the Pyramid*, CK Prahalad and Stuart L Hart explain that "low-income markets present a prodigious opportunity for the world's wealthiest companies to seek their fortunes and bring prosperity to the poor". This opportunity exists for any company, whether it's wealthy or not.

Designing for emerging markets, specifically those in Africa, requires an enquiring mind, the determination to question every assumption, and both the confidence and humility to engage with the right partners.

Expanding into Africa, and laying the foundations for partnerships in other emerging markets across the globe, has its challenges. Here are six lessons we've learned on our four-year journey.

You can't assume anything

"Assumptions are dangerous things to make, and like all dangerous things to make - bombs, for instance, or strawberry shortcake - if you make even the tiniest mistake you can find yourself in terrible trouble." - Wise words from Lemony Snicket.

There are hundreds of examples of failed endeavours to repurpose products and services for emerging markets.

They fail because although the transition may seem foolproof, the foundation - the context for which the product was originally designed - often does not exist in this new environment, at least not in exactly the same way. We often hear local developers pitching ideas that essentially entail creating a business that came out of the US (usually Silicon Valley), without changing it any meaningful way. Developing a new app called 'Uber for Africa' is just about the same as: 'Uber now launching in Africa.' And the same applies across countries on the continent - MPesa may have done well in Kenya, but that success has not been replicated to any great degree (except in Zimbabwe and Bangladesh).

You can't do it from HQ

Starting from scratch means starting from the point of view of your ideal customer. What does their day look like? Who do they interact with? What are their pain points? What opportunities can you help them grab hold of? This is true in all markets, but if the country you want to enter is not your own, or isn't an emerging market itself, there is no substitute for spending time on the ground trying to understand the context.

Product design should always be undertaken with the input of the customer, and it always requires real, on-the-ground research and testing.

Things change all the time

This is an inherent trait of emerging markets. If product development is too slow, you risk losing out to a faster competitor, or you may find that the need you were trying to meet has evolved and your product becomes obsolete before it hits the market. An agile approach is vital. Start with the one or two most important features, build the product around these and then get it to market to test. See how users are interacting with your product and then use that insight to re-evaluate your design.

Local partnerships are essential

If the market you're designing for isn't your own (and sometimes even if it is), partnering a local organisation and letting it take care of operations on the ground is wise. It should have strong client and supplier relationships in place already, and it's more likely to know how to package and market the product for best results in its market.

Your partners can be windows to your end-users. They often supply useful contextual information that can help you improve your product for all markets.

Allowing partners to make the decisions around configuration, branding, marketing and distribution works well and increases the chances of success for both sides.

Get the software right - make it scalable and updatable

If your product requires software, think about how you will install updates, collect insights and update information - especially if the device is likely to travel long distances (a reality in Africa).

Cloud solutions allow you to scale instantly, on a pay-per-use basis, and to run software updates and make changes remotely. Cloud also makes working with partners in other countries much easier because there are no major infrastructure requirements, and nothing to install or replace. It's amazing how much you can achieve through software.

It's worth the effort

Emerging markets are challenging and the margin for error is small. But with predictions that these economies will grow almost three times faster than developed ones, and account for an average of 65% of global economic growth by 2020*, those businesses that can offer well-designed products that meet a basic need, could find themselves sitting on a veritable goldmine.

*[Euromonitor International report](#).

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