

# New opportunities for advertisers as app economy grows in Africa

South Africa's app economy is seeing impressive growth, largely fuelled by the massive penetration of mobile smartphones in the country. Given that South Africa has one of the largest mobile markets globally, with the majority of households and individuals having access to a mobile phone, there is huge potential for mobile marketing in South Africa, said Arunabh Madhur, regional vice president and head business EMEA at ShareIt Group. ShareIt is a peer-to-peer file sharing, content streaming and gaming.



Source: [Unsplash](#)

Madhur shared his experiences, learnings and key insights at the inaugural App Growth & Marketing Insights Summit of ShareIt in Johannesburg and Cape Town recently, which brought together thought leaders in the mobile marketing industry under one roof.

“The high rate of mobile connections in South Africa is helping to drive digital inclusion”, pointed out Chanel Hardman, country director for South Africa at the ShareIt Group. However, digital literacy and education will be critically important to ensure no one is left behind in the digital world.

According to the GMSA Mobile Connectivity Index, South Africa does not score too far behind more developed markets when it comes to mobile digital infrastructure, with a score of 65. However, while the country scores highly in terms of network coverage, it falls short when it comes to network performance, including speed and latency.

These features have resonated with a number of local advertisers, including banks, telcos, automotive companies, online delivery services and alcohol brands, amongst others.

Growing internet and mobile penetration have resulted in a large spike in total app installations in the last two years by the country's relatively young and tech-savvy population. In the past year alone, app installations increased by 41%. Brands are recognising the opportunities presented by these apps to reach consumers and are either developing their own bespoke apps or partnering with so-called 'super apps'. Amongst the most downloaded local apps are those from financial services providers and banks, online retailers, food delivery services and gaming, amongst others.



### #BehindtheBrandManager: Sharelt SA country director Chanel Hardman

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However, to utilise apps successfully requires that brands have a clear understanding of what they are trying to achieve, including the cost of each acquisition, click, installation and registration, said Conrad Geldenhuys, marketing manager at Ayoba, an all-in-one app that offers free instant messaging, voice and video calling, games, music, news and entertainment.

Given that the user journey has become more complex than ever, brands should be using a mobile measurement partner (MMP) to provide a unified overview of the brand's performance, said Riyad Khalil, senior account executive for the Middle East and Africa at Adjust, a mobile attribution and analytics company.

Once marketers have access to privacy-compliant relevant data, they're able to better understand user behaviours while in your app, which in turn allows for more appropriate messaging," he said.

Africa's app economy is seeing a similar boom to South Africa with a growing number of apps shaping lives on the continent, revealed Kirsten van Rooyen, head of digital at Simply Black, an African media agency.



### Advertising earns \$214.9bn for mobile apps

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Van Rooyen's advice to app developers and marketers is to think differently to solve simple problems with easy-to-use solutions. "Effective usage should be the measure of success," she said, adding that no one can solve Africa's challenges better than Africans.

While the pandemic has pushed more people online, e-commerce businesses need to focus on changing people's consumption habits away from in-store shopping in order to drive hypergrowth, said Desigan Moodley, head of performance and projects at online retailer Takealot. Key to achieving this is for e-commerce businesses to have a good value proposition and to deliver on their promises, he added.

The rising cost of living has impacted consumers, with affordability now a key concern. For Mr D, an online food delivery company, higher fuel prices have impacted the business which has required it to implement initiatives in order to keep delivery prices low, said Aviwe Vapi, performance marketing associate at Mr D. While the pandemic drove more people to

Mr D's app while they were at home, the challenge now for the company is to encourage consumers to continue using it wherever they are.

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