

Africa the Place to Be – April 17, 2009

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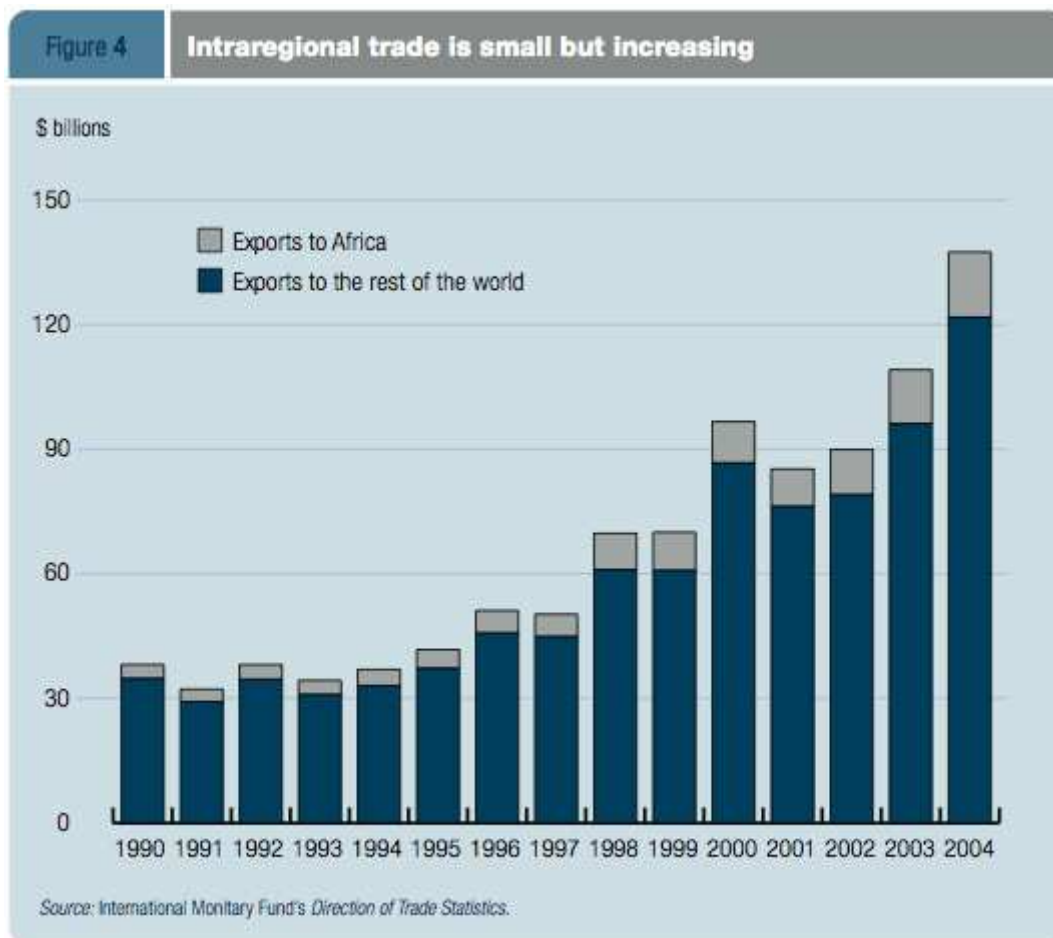
The next international trade event in Africa will take place in....

By Desi Lopez Fafie.

Over the years I have been dealing with event organizers in Africa, I have often requested events to take place outside the typical locations like South Africa, Kenya or Nigeria. As such there is nothing wrong with these locations but if we don't give a chance for events to take place in the rest of the 51 countries some of the good intentions will become difficult to achieve when trying to promote regional integration to name but just one.

Regional and intraregional trade is high on the agenda of most African countries. Potential investors need to get a chance to explore all options not just a handful.

As the attached graph shows the share of regional trade is still a very small part of the total trade volumes although slightly growing.



What I have witnessed, during events in Lagos, Johannesburg, Sun City or Cape Town, is that participation from the French speaking countries is very limited in a best case scenario. To make things worse, if there are a few participants very often the organizers fail to provide simultaneous translation assuming everybody speaks English. Of course any next invitation to attend will become a harder sell. When you speak to the organizers they will tell you that the participation rate is “surprisingly” low from French speaking countries and therefore it does not justify the investment while one of the agenda items clearly states “regional integration”.

I have taken the example of events taking place in English speaking countries posing a risk to lose out on French speaking participants but of course the issue goes both ways.

To be fair to the organizers there are some challenges that have to be considered when organizing events:

Flight connections between African countries, specially between French and English speaking ones, are often routed via a limited number of airports and can make the journey long and unpleasant. Daily flights are not always available and a stopover sometimes means being stuck a full day because the connecting flight is only available the next day.

Finishing meetings in Gaborone some time back on a Friday afternoon, I was stuck in Johannesburg on Saturday because my next flight back to Accra was on Sunday. So one may lose a lot of time in some cases or one should consider a costly trip to Europe to connect via Paris or London to fly back south while the passenger is only trying to fly to a destination that should take him/her 3 to 4 hours had there been a direct connection.

Either way the organizers understand this and fear that by choosing an “odd” location the participation rate will be low.

Potential sponsors to the event will also raise questions when an event is taking place in an “odd” country and may not provide sponsorship as much as they would if the event would take place in the more usual countries.

What sponsors should take into consideration though, is the fact that sponsorship is still a form of investment, and investing in existing markets yield different returns than investing in new and often unexplored markets with low or non existing competition. The return therefore may yield much higher returns.

If one considers the cost to explore a new market on ones own, both in time and in money, to reach potential business partners I am convinced that it pays off to sponsor the “odd” countries from time to time.

If potential foreign investors are part of the targeted participants, the organizers again are faced with another challenge: the perception of the lesser known countries, or worse the biased opinion on some of these countries. Organizers of course try to attract as many participants as possible so the logic is easy to follow when a choice is made for the more typical countries.

Visas are another challenge that organizers face. Most of us who have worked in Africa know that the problem is not limited to Africans trying to fly to Europe or the US to attend events, but the problem also exists for Africans trying to visit another African country.

Some countries do have a serious accommodation challenge as is the case at this point in Angola. To get a hotel room requires in the worse case some months of upfront reservation. This sounds positive to me.

It means that the demand to partner with Angola exceeds the current available supply to host potential foreign investors but of course for the time being it poses logistical hindrance for organizers. There are however many countries in Africa, outside the aforementioned ones, that can cater for events with auditoria that have simultaneous translation capabilities.

Most of these challenges are not limited of course to event organizers. They affect any company that wishes to expand their activities in the region.

My recommendation to the organizers would be, to discuss their logistical challenges with for instance the chambers of commerce, of countries they would like to consider outside the typical ones and seek ways to overcome some of these and to prepare the events in such a way that participants feel welcome regardless what language they speak.

If events get big enough maybe airlines are willing to provide charter planes to handle the peak passenger demand. If trade starts to increase significantly airlines may also consider to provide a more permanent connection between two trading countries. For the time being there is no direct flight between Ouagadougou and Lagos for passengers. Cargo flights are available however between the two cities. Once enough volumes of cargo moves between these two cities, it follows that at some point passenger flights will start to take off as well.

Globalization does not stop in the US, Europe, Asia or Japan. Years ago, if a Chinese passenger boarded a flight to Bamako, the cabin staff would double check to make sure the passenger was boarding the correct flight. Today its often difficult to get a seat on a flight because of the increased demand coming from Asia on some of the routes into Africa. Increasing amount of Africans travel via Dubai to Beijing or Shanghai as well. Dubai has understood this opportunity and has become a major connecting hub between Africa and Asia.

Emirates Airlines are expanding their routes across the continent providing daily flights to a growing number of locations after starting their first flights to Cairo in 1986. Their planned flights to Angola, will become their 17th African destination.

Emirates Airlines have grown their African business by 17% recently and provide 4000 Africans with employment. Compare this for instance to South African Airlines who have 24 destinations within Africa after starting in 1934 and you realize the significance of the investment as well as the success Emirate Airlines are enjoying out of Africa and the benefit Africans enjoy from increased employment and from getting connected.

In addressing the sponsors, organizers should expect some initial resistance but if enough success stories are shared about the returns the events have generated for their participants I am confident that this issue is just a matter of time.

Organizers very often have a better overview of companies willing to invest and can play a significant role as an intermediary to bridge demand and supply.

To date many local countries statistical data is inaccurate or at times conflicting if you compare the data of for instance two trading countries. Potential investors and sponsors get confused as a result and the biased opinion will be reinforced in the worse case.

Target the low hanging fruits, the market makers as your first choice of sponsors. They realize the benefit of exploring the markets before anybody else has arrived. The laggards will follow in due course and will face stiff competition like the always do no matter where in the world from those who decided to go first. The telecom operators are a good example who are fighting to get into the most remote countries because of the growth their businesses are enjoying.

Here lies in my opinion also a wonderful opportunity for the organizers to become more vocal about the success stories of some of the countries as a result of their events. The more these event related successes are shared, the more participants the organizers should expect going forward, the more investors will consider the new country as a serious place for business. In the end everybody wins.

Some organizers get it right already, like **eLearning Africa**, <http://www.elearning-africa.com> which started in Ethiopia than moved to Kenya and this year plan their event in Senegal.

Another good example is **Africa.com** <http://africa.comworldseries.com> which runs events in Senegal, Nigeria, Kenya and Tunisia, aiming to get their content to more than just Cape Town.

Business Excellence Global Media has taken the step of running their next event in Uganda instead of Johannesburg tapping into the East African market. <http://www.be-excellent.com/dynamic.php?button=99§ion=22>

Please have a look as well at the following site for some more ideas for your next events <http://www.africa-ata.org/cities.htm>

So will the next World Economic Forum on Africa move again between Cape Town and Durban, or will the organizers be bold enough to try out a different location?