

Erik Hersman: technology is the easy part



By [Lauren Hartzenberg](#)

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Kenya has earned the nickname 'Silicon Savannah' owing to its emergence as a recognised IT hub brimming with innovation. Erik Hersman has played a significant role in this tech take-off. As the CEO of [BRCK](#) and the founder of the [iHub](#) in Nairobi - among other roles - he is making waves in accelerating technological access in areas with poor infrastructure and in the building of Kenya's tech community by connecting entrepreneurs, hackers, designers and the investment community.



Erik Hersman

We managed to sit down with Hersman at the Net Prophet conference yesterday for his informed insight into Kenya's tech scene and the next wave of tech innovation.

What inspired you to speak at Net Prophet this year?

Erik Hersman: I spoke at Net Prophet in 2011 and I remember it as being a really vibrant and well-run event. Besides the fact that it's a good conference, we are doing a lot of work with technology in East Africa and it's good to keep our South African brothers and sisters in the loop.

Where did your love for technology begin?

Hersman: I grew up on technology. My parents were linguists in South Sudan and Kenya and so we had computers from when I was very young. Like any kid I used it to play games and as I grew older it became useful in my daily life. This made it very easy for me to transition into making sure that technology was injected into the

business world I work in as well. Technology is part of who we are these days and I guess I was part of the first wave of people using it.

Give us some insight into Kenya's tech scene at the moment. Would you say it's in a state of flux?

Hersman: It's in a state of growth. We've been building it. I'm one of the founders of the iHub in Nairobi and I can remember when we had almost nothing. It's been six years since we started the iHub and it's changed so dramatically that it's almost unrecognisable.

There are kids coming out of university today who have no idea that just six years ago they wouldn't have had access to anything that they do today, which is wonderful. It means we've really accelerated the timeline around startups growing, around the presence of investors, the presence of large multinationals, and universities are starting to take their coding and business teaching more seriously. We're starting to get there. We have a lot of activity but that doesn't mean we have the volume that we quite need yet.



The BRCK: a rugged, self-powered, mobile Wi-Fi device which connects people and things to the internet in areas of the world with poor infrastructure.

■ ***What are the most common pitfalls experienced and misconceptions held by entrepreneurs entering the industry?***

Hersman: The technology is sometimes the easiest part especially if you have good people. You can build the technology but taking that technology and making it into a business is complex, and sometimes just hard work. I think that everybody knows that intellectually but getting your feet dirty, knocking on doors, trying to find sales, making sure customers are getting what they want and making business happen... those are the hard things that are real learning curves for entrepreneurs.

That goes for all of us. It doesn't matter if you're Stephan Ekbergh from Travelstart or a first-time entrepreneur, understanding how to do sales and getting business provides the cash flow you need to make your organisation work. Investor money is just a band-aid to get you further along until you can bring in the capital. A very important lesson that I've learned is to focus on the business side as much as the technology side, if not more.

■ ***In a general sense, what governmental support do startups require?***

Hersman: Government can provide incentives for entrepreneurs to get going. This can be seen in countries like Scotland where they have really low-cost loans that entrepreneurs can take out to get started, or that small companies can utilise to grow a level. Another thing that governments can do is reduce the friction. Reducing the friction involved taxes, getting the business started and filing paperwork - all those little things that really create a lot of unknowns for entrepreneurs and take time to get out of the way.

■ ***What technological innovation are you most excited about?***

Hersman: There's two big things going to be happening across the continent. One of them is around power and energy. I think what we're seeing in East-Africa around pay-as-you-go micro solar done by mobile money is a really interesting and efficient way of handling it and that's continuing to explode, so [the M-KOPAs](#) of the world will continue to be really interesting companies to look at. It's not really my space and I don't know a ton about it, I just know that without power you can't do tech. So we need more of it and we need it more reliable.

Secondly, in the pure tech space e-commerce is the next wave. That's going to go across the continent at different levels and at different times but it's a two-pronged problem. You need the ability to pay for things and you need the ability to deliver things. We've had the ability to pay for things for a while now with mobile money in East Africa and some other countries in West Africa as well, but the logistics part has been really hard.

Some of the companies I've invested in are doing logistics and deliver systems using everything from motorcycles to cars,

whatever is needed. [Sendy](#) is a company in East Africa that I've invested in and they do motorcycle delivery because traffic is so bad, and it's very easy to see that model transferring from Nairobi into other large cities across the continent.

I think logistics is a big problem to solve because most cities across the continent don't have addressing systems, so it's not just a problem of bad infrastructure it's also the fact that there's no house or building number available – which makes the problem even more complex. [OkHi](#) and Sendy are just two of the companies in Kenya that are doing some interesting work.

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