

Market research predictions for Africa in 2017

Marketers continue to be challenged by the lack of reliable local market data; market research methodologies using mobile, though increasingly popular, are showing their limits. There is a growing sense that most data collection technologies are pushed rather than built around the African context.



Image by 123RF

One striking example is the assumption built in most mobile or internet based foreign data collection platforms that one device = one unique individual. In a continent where most people have more than one phone and few people can afford both a PC and personal internet connection, that assumption is not valid or will fail in most cases. As a result, the performance of these platforms is vastly overstated, causing frustrating experiences for all parties involved. This is a good example of technologies that are pushed to Africa without context and local insights. Yes, even in the field of market research!

Last year, we highlighted some of the trends for 2016: Improvement in the data collection infrastructure; the rise of multi-channel data collection; more stories were told using data; and of course, more people claimed the expert status when it came to Africa.

If 2016 was the year where we started a different kind of conversation around data - moving from “data for development” to what we call “data for prosperity”; we predict 2017 will be the year where we start to see the entrepreneurs and organisations unlocking the value of data to turn challenges into opportunities. Here are some of our predictions for 2017:

1. **New and relevant research methodologies for Africa.** Market research is about identifying the real problem in order to come up with the right solution. Data collection is an important part of market research. Mobile and F2F still dominate the data collection landscape in Africa. Each methodology provides pros and cons when it comes to reaching a valuable target and providing the kind of insights required to make an informed decision. Mobile research providers are mostly foreign companies that lack the local context required to adapt their technologies. We expect new players to enter the market with better innovations that are actually leveraging the local ecosystem to deliver results. This is all good news for marketers in general as their consumer insight toolbox will improve thanks to the availability of data and local insights.

2. **Increased availability of local market data.** Leaders and organisations looking to provide innovative and relevant products to the massive consumer market that's Africa, will have more data at their disposal to make better and faster decisions. For example, Africa has several consumer confidence reports now that are produced periodically in all the major markets. Last June, we launched the KIC Score, Africa's first monthly consumer confidence index tracking consumer expectations, spending habits in six major urban centres in Africa. The leaders who will succeed in 2017 are the ones who will include these metrics in their planning and strategy.
3. **It's not about technology, it's about people.** The narrative around Africa in 2016 was dominated by technology in every industry – Mark Zuckerberg's visit to Africa received more media coverage than Dangote expansion in Africa or the fact that his company is hiring way more people than most tech companies in Africa. Those who will resist the tendency to think technology can solve all Africa challenges will thrive. Customers are at the heart of every business – getting to know them and their context will allow marketers and product managers to build relevant products, beat the competition and take market leadership. For every customer problem in Africa, technology is merely one-third of the solution. Market research will help young entrepreneurs identify the right problem or pain points before building a solution for it.
4. **Made by Africans for Africans.** In the latest McKinsey report, 'Lions on the move II', it was revealed that Africa has 400 companies that are making US \$1B in annual revenue. Very few of these companies are tech companies – rather these are regional companies solving fundamental problems in Africa: the need for infrastructure, the need to communicate, the need to eat, the need to access financial services, the need for efficient food supply, the need for energy. We believe that 2017 will also be the year for the growth of the "made in Africa" products on the African markets. This trend should be welcome news for African governments that faced revenue squeeze as a result of declining oil prices in recent years. Building an African value chain of locally thought, made products and services is an exciting trend that we will monitor in 2017. Don't worry about the size of the middle class, no one cares as long as you can deliver value and meet your customers.

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KASI Insight is research and advisory firm in Africa. It solves problems that present challenges for firms doing business in Africa, such as lack of fresh local market data and the need for contextual insight and innovative research methods. It provides market research, actionable insights and data driven advice from over 10 countries in Africa.

Source: [KASI Insight](#).