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Rosa Whitaker on America and Africa

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SPECIAL REPORT:

Africa's Best Brands

Interview with Samsung's marketing head



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Top Brands

Brand Africa founder and Brand Finance Africa chairman, Thebe Ikalafeng, gives a perspective on the key trends in the latest BrandAfrica 100. It doesn't bode well for African brands who have lost ground to their international rivals.

An African Business special report.

Global brands entrench their positions in Africa



in association with **BrandFinance** **iGeoPoll** **KANTAR TNS** BRAND LEADERSHIP 

Africa has seen impressive double digit economic growth in the past 20 years, but this slowed to 3% in 2015, due mainly to sluggish growth and/or challenging economic conditions in the region's largest economies and commodity exporters – Angola, Nigeria, and South Africa.

During the economic downturn, African brands have regressed against non-African brands, with their share declining from 24%, 25% and 23% in 2013, 2014 and 2015 respectively to only 16% this year. Non-African brands now represent an all-time high of 84% of the Top 100 most Admired Brands and account for 99.25% of the value of the Top 100 most Valuable Brands in Africa.

Despite the challenges that the leading non-African brands have had globally – most notably Samsung's Galaxy Note 7 recall challenge and Apple's declining or stagnant franchise – non-African brands have entrenched their market position in Africa.

While it has retained the number one spots as the most admired and most valuable African brand, MTN has lost significant ground overall, falling from top of the list as the most admired brand in Africa to ninth position. The brand is reeling from a \$5.2bn fine by the Nigerian regulator. At the time of the announcement of the fine, equivalent to about a fifth of its market capitalisation, the news knocked 12% off its value.

No sooner had MTN settled a reduced fine of \$1.7bn, than the Nigerian authorities accused it of illegally repatriating about \$14bn over 10 years starting in 2006. While unproven as yet, these charges have severely damaged its brand franchise in its most profitable market, Nigeria, and overall. The brand's value has declined 36% from \$4,672m in 2015 to \$2,975m in 2017 and it has fallen off the Brand Finance Global 500, where it was the only African brand.

In contrast, Samsung's Galaxy Note 7 crisis had no impact on its reputation (although it wiped out almost all of the company's mobile unit profits), probably due to Samsung's proactive, efficient and expedient recall and customer service resolutions. The South Korean giant has now replaced MTN as the most admired brand in Africa and grown its brand value by 13%, entrenching the non-African brands' dominance in Africa.

Google, at \$109,490m the most valuable brand in the world, is the strongest brand overall in Africa with a AAA+ rating. MTN is the strongest African brand amongst those admired by consumers with a AA+ rating.

As both non-African and African brands continue to broaden their African footprints, new brands enter or exit the tables due to consumers being exposed to a variety of brand options and either entrenching their

franchise or substituting with new options.

However, despite vibrant political and social movements, largely driven by Africa's youthful population, and the lauded entrepreneurial energy behind Africa's rising prominence in the arts, fashion and technology, Africans are not creating and building brands fast enough to challenge the global brands.

Europe has 42 brands in our Top 100, America 25 and Asia 17, with Africa trailing last with only 16 brands in the Top 100.

Winners and losers

While Lacoste (+52), Mirinda (+47), Honda and Tiger Brands (+44) and Safaricom (+37) made the biggest gains across diverse categories. Levi's (-68), AllStar/Converse (-45), Reebok (-49) Nissan (-45) and Sasko (-35) lost their cool along among African consumers in a table that has remained largely similar. In 2015 new entrants in the Top 100 comprised 34% of the table. This year is similar: 31% of the table comprises new brands, with notable pan-African brands such as South Africa's Shoprite and Pick n Pay and regional African brands such as Morocco's Marwa, Ethiopia's Anbessa, Madagascar's Three Horse Beer and Nigeria's Ladycare making the Top 100.

Non-African brands dominate local markets

Across the 19 markets surveyed – except for Nigeria (with Glo at number 3), Kenya (with Safaricom/Mpesa at number 2 and Tusker at number 3) and Tanzania (with Zama at number 2), non-African brands dominate the Top 3 brands in each market. Samsung (top in 8/19), Adidas (3/19), Nike (4/19), Coca Cola (3/19) and Airtel (1/19) are the number one brands in the various markets.

Africa's best brands

Despite its challenges, MTN remains the most dominant African brand ahead of its category competitors Nigeria's Glo and Kenya's Safaricom/Mpesa. Unsurprisingly, South Africa, the continent's leading economy, leads with six of the 16 African brands that make the Top 100. Madagascar is represented with Three Horse Beer. Kenya has two brands, Uganda one, Tanzania one, Ethiopia one, while West Africa's three brands are all Nigerian and North Africa has one brand in our Top 100, Morocco's Marwa. Consistent with past surveys and valuations, Africa is not represented in any category that requires high set-up investment and research such as auto manufacturing and electronics. In a category that should be easy to enter such as apparel, the dominant brands continue to lead a continent still mesmerised by global brands and the local and international celebrities who endorse them.



Top Brands

A category of their own

Similarly to 2015/6, the Brand Africa survey questions to were extended to focus on financial services and media brands in Africa, due to their catalytic impact as categories that enable development and communication respectively. Despite the stringent and improved regulatory environment, African brands remain competitive in the financial services category, in fact leading the category with 15 out of 25, with Nigeria (six), South Africa (three) and Kenya (three) leading the continent. The Top 3 most admired financial services brands were Nigeria's GTB, Standard Bank of South Africa and pan-African group Ecobank. The global brands are led by Barclays, which is exiting Africa.

In the media category, the BBC propelled by its World Service radio channel, which is accessible across the continent, and CNN lead the only African media brand, DSTV. The latter, although not technically a media channel, is recognised as a sub-Saharan enabler for broadcasting the many channels that make up the Top 10 in Africa – and reaching consumers across Africa.

Underscoring their important role as African economic catalysts, Safaricom/Mpesa (\$691m), the world's most admired mobile money transfer brand (a 82% y/y growth) and DSTV (\$623m) (albeit a 23% decline y/y) at numbers 72 and 73 respectively are the only African financial services and media brands among the Top 100 Most Valuable Brands.

Both the media and financial services categories are expectedly dominated by local brands because they require local regulatory sanction and because media in particular, are dominated by local personalities and programming that does not easily travel beyond borders.



Without investment in research and owning trademarks, global brands will still set the standard for brand leadership.

Conclusion

Brand Africa 100 provides an important metric on the progress Africa is making in creating Made in Africa brands and challenging the dominant non-African brands in Africa.

With its decline in the rankings, it has been a disappointing year for Africa. While it is indisputable that non-African brands dominate Africa because of their history and global resources, it is no excuse for African entrepreneurs and policymakers in a rising continent which is estimated will reach a population of 2bn by 2050 and achieve consumer expenditure of \$1 trillion by 2020.

African governments are not creating enabling policies or investments nor incentives, neither adequately nor fast enough, for entrepreneurs to thrive. Africa, which accounts for only 0.75% of the value of the Top 100 Most Valuable Brands, has a mere estimated 0.6% share of the trademarks filed globally (World Intellectual Property Organisation) and invests less than 1% of GDP in research compared with 2–5% for developed markets.

Without investment in research and owning trademarks, global brands will still set the standard for brand leadership and dictate the trends and fortunes. While Africa is not an island and will not necessarily thrive with a protectionist economic agenda, the status quo cannot remain the same. The success of non-African brands is a benchmark for African brands who in theory ought to know and serve their consumers better. It is an open opportunity both for African and non-African brand builders, entrepreneurs and industrialists who do right by the African consumer. The time has never been more urgent for Made in Africa and for Africans to rise to the challenge.



Mobile is the DNA of the digital revolution

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KANTAR TNS

TOP 3 BRANDS IN AFRICA – RANKED BY CATEGORY

CATEGORY RANK	2016/7 RANK	BRAND	CATEGORY
1	4	Coca-Cola	Non-alcoholic Beverages
2	17	Pepsi Cola	Non-alcoholic Beverages
3	30	Fanta	Non-alcoholic Beverages
1	20	Guinness	Alcoholic Beverages
2	38	Tusker	Alcoholic Beverages
3	48	Star Beer	Alcoholic Beverages
1	15	Nestlé	Consumer, Non-Cyclical
2	24	Dangote Group	Consumer, Non-Cyclical
3	27	Unilever	Consumer, Non-Cyclical
1	8	Toyota	Auto Manufacturers
2	19	BMW	Auto Manufacturers
3	21	Mercedes-Benz	Auto Manufacturers
1	1	Samsung	Electronics / Computers
2	5	Apple	Electronics / Computers
3	6	LG	Electronics / Computers
1	9	MTN	Telecommunications
2	10	Airtel	Telecommunications
3	13	Etisalat	Telecommunications
1	35	Google	Media
2	47	DStv/GOtv/Multichoice	Media
3	63	Facebook	Media
1	2	Nike	Sport and Fitness
2	3	Adidas	Sport and Fitness
3	11	Puma	Sport and Fitness

TOP 25 MOST ADMIRED FINANCIAL SERVICES BRANDS

RANK	TOP FINANCIALS	COUNTRY OF ORIGIN
1	GTB/Guaranty Trust Bank	Nigeria
2	Barclays (ABSA)	UK
3	Standard Bank/Stanbic	South Africa
4	Ecobank	Togo
5	Equity bank	Kenya
6	Western Union	USA
7	Diamond bank	Nigeria
8	United Bank of Africa	Nigeria
9	SG/Société Generale	France
10	Zenith bank	Nigeria
11	Bank of Africa (BOA)	Mali
12	First National Bank (FNB)	South Africa
13	HSBC	UK
14	Mpesa/Safaricom	Kenya
15	Access bank	Nigeria
16	Nedbank	South Africa
17	Old Mutual	UK
18	Airtel Money	India
19	Fidelity bank	Nigeria
20	Visa	USA
21	Kenya Commercial Bank	Kenya
22	BIMA Insurance	Sweden
23	Nico Insurance	Malawi
24	Standard Chartered	UK
25	Moneygram	USA

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Top Brands

MOST-ADMIRED BRANDS IN AFRICA

2016/7 RANK	2015 RANK	BRAND	CATEGORY	COUNTRY OF ORIGIN	CHANGE
1	2	Samsung	Electronics / Computers	South Korea	+1
2	4	Nike	Sport and Fitness	USA	+2
3	5	Adidas	Sport and Fitness	Germany	+2
4	3	Coca-Cola	Non-alcoholic Beverages	USA	-1
5	11	Apple	Electronics / Computers	USA	+6
6	9	LG	Electronics / Computers	South Korea	+3
7	6	Nokia	Electronics / Computers	Finland	-1
8	8	Toyota	Auto Manufacturers	Japan	-
9	1	MTN	Telecommunications	South Africa	-8
10	7	Airtel	Telecommunications	India	-3
11	18	Puma	Sport and Fitness	Germany	+7
12	17	Sony	Electronics / Computers	Japan	+5
13	13	Etisalat	Telecommunications	UAE	-
14	16	Tecno	Telecommunications	China	+2
15	14	Nestlé	Consumer, Non-Cyclical	Switzerland	-1
16	12	Glo/Globacom	Telecommunications	Nigeria	-4
17	23	Pepsi Cola	Non-alcoholic Beverages	USA	6
18	15	Orange	Telecommunications	France	-3
19	29	BMW	Auto Manufacturers	Germany	+10
20	20	Guinness	Alcoholic Beverages	Ireland	-
21	10	Mercedes-Benz	Auto Manufacturers	Germany	-11
22	22	Gucci	Apparel	Italy	-
23	47	Zara	Apparel	Spain	+24
24	27	Dangote	Consumer, Non-Cyclical	Nigeria	+3
25	52	Itel Mobile	Telecommunications	China	+27
26	New	Anbessa Shoes	Apparel	Ethiopia	n/a
27	19	Unilever	Consumer, Non-Cyclical	UK	-8
28	65	Safaricom/Mpesa	Telecommunications	Kenya	+37
29	25	Vodafone/Vodacom	Telecommunications	UK	-4
30	24	Fanta	Non-alcoholic Beverages	USA	-6
31	51	Microsoft/Windows	Electronics / Computers	USA	+20
32	46	Peak Milk	Food	Netherlands	+14
33	New	H&M	Apparel	Sweden	n/a
34	36	Hewlett-Packard/HP	Electronics / Computers	USA	+2
35	30	Google	Media	USA	-5
36	80	Honda	Auto Manufacturers	Japan	+44
37	New	Infinix Mobile	Telecommunications	China	n/a
38	31	Tusker	Alcoholic Beverages	Kenya	-7
39	56	Toshiba	Electronics / Computers	Japan	+17
40	58	Huawei	Electronics / Computers	China	+18
41	88	Mirinda	Non-alcoholic Beverages	USA	+47
42	94	Lacoste	Apparel	France	+52
43	21	Dolce & Gabbana	Apparel	Italy	-22
44	New	Blue Band Margarine	Consumer, Non-Cyclical	UK	n/a
45	40	Mukwano Products	Consumer, Non-Cyclical	Uganda	-5
46	49	Indomie	Food	Indonesia	+3
47	73	DStv/GOTv/Multichoice	Media	South Africa	+26
48	57	Star Beer	Alcoholic Beverages	Ireland	+9
49	41	Philips	Electronics / Computers	Netherlands	-8
50	47	Ford	Auto Manufacturers	USA	-3

All the rankings in our survey are independently produced and advertisers and sponsors have no bearing on the final results. More data and analysis can be found on our website.

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2016/7 RANK	2015 RANK	BRAND	CATEGORY	COUNTRY OF ORIGIN	CHANGE
51	74	Dell	Electronics / Computers	USA	+23
52	New	Always	Consumer, Non-Cyclical	USA	n/a
53	New	Shoprite	Retail	South Africa	n/a
54	New	Ariel	Consumer, Non-Cyclical	USA	n/a
55	99	Tiger Brands	Consumer, Non-Cyclical	South Africa	+44
56	New	Bershka	Apparel	Spain	n/a
57	50	Sprite	Non-alcoholic Beverages	USA	-7
58	New	Volkswagen	Auto Manufacturers	Germany	n/a
59	63	Sharp	Electronics / Computers	Japan	+4
60	New	Nile Special	Alcoholic Beverages	Belgium	n/a
61	New	Colgate	Consumer, Non-Cyclical	UK	n/a
62	75	Jeep	Auto Manufacturers	USA	+13
63	71	Facebook	Media	USA	+8
64	55	Omo	Consumer, Non-Cyclical	UK	-9
65	New	Sunlight	Consumer, Non-Cyclical	UK	n/a
66	59	Chanel	Apparel	France	-7
67	48	Cadbury	Food	UK	-19
68	New	Hennessy	Alcoholic Beverages	France	n/a
69	New	Cowbell	Food	Switzerland	n/a
70	84	Tigo	Telecommunications	Luxembourg	+14
71	26	Nissan	Auto Manufacturers	Japan	-45
72	66	Blackberry	Electronics / Computers	Canada	-6
73	70	Heineken	Alcoholic Beverages	Netherlands	-3
74	New	Vans	Apparel	USA	n/a
75	98	Timberland	Apparel	USA	+23
76	New	Pull & Bear	Apparel	Spain	n/a
77	77	Azam	Food	Tanzania	-
78	43	Versace	Apparel	Italy	-35
79	78	Polo Ralph Lauren	Apparel	USA	-1
80	35	Allstar/Converse	Apparel	USA	-45
81	New	Close-up	Consumer, Non-Cyclical	UK	n/a
82	81	Orijin	Alcoholic Beverages	Ireland	-1
83	89	Range Rover	Auto Manufacturers	India	+6
84	New	Ladycare	Consumer, Non-Cyclical	Nigeria	n/a
85	New	Audi	Auto Manufacturers	Germany	n/a
86	37	Reebok	Sport and Fitness	USA	-49
87	New	Startimes	Media	China	n/a
88	New	Three Horse Beer (THB)	Alcoholic Beverages	Madagascar	n/a
89	54	Sasko	Food	South Africa	-35
90	New	Louis Vuitton	Apparel	France	n/a
91	New	Calvin Klein	Apparel	USA	n/a
92	New	Prada	Apparel	Italy	n/a
93	New	Pick n Pay	Retail	South Africa	n/a
94	New	Eagle Lager	Alcoholic Beverages	Belgium	n/a
95	New	Oriflame	Cosmetics	Sweden	n/a
96	28	Levi's	Apparel	USA	-68
97	New	Marwa	Apparel	Morocco	n/a
98	New	Johnnie Walker	Alcoholic Beverages	Scotland	n/a
99	New	Motorola	Telecommunications	USA	n/a
100	New	Chevrolet Motors	Auto Manufacturers	USA	n/a

Brand Africa 100 methodology

The BA100 was developed by Brand Leadership, in collaboration with Kantar TNS, Geopoll and Brand Finance

Research phase

In the research phase, Brand Africa insight partners, Kantar TNS, the world's largest insight information research firm, and Geopoll, the leading mobile survey platform with a database of nearly 200m users in emerging markets, set out to identify the most admired local and global brands in Africa.

In 2016/7 a mobile survey was conducted in 19 countries covering all African economic regions and a representative group of the major countries. Mobile interviewing has proven to be the most effective way to reach African consumers because of the high penetration of mobile telephony as a primary mode of communication and, increasingly, for consumer transactions across Africa.

Collectively, these countries represent 74% of the African population (907m). These countries' brands are also often the dominant brands within their regions.

Using Geopoll's sophisticated mobile SMS technology for data collection, individuals aged 18 and older in these countries were asked to report on their top three most admired non-African and local/African brands in order of first to third. The survey yielded 11,000+ brand mentions covering over 2,500 most admired brands.

With the final coded data, Kantar TNS calculated a score for each brand and created an index that takes into account the sample and population sizes of each country. Where the brands operate under similar but different names in different markets, such as Standard Bank/Stanbic and Vodacom/Vodafone and where a sub-brand is part of a dominant primary or alternate brand, such as Safaricom/Mpesa or DStv/GOtv/Multichoice, the results were consolidated under one score for the group.

Finally, to make the list of the Top 100 most admired brands in Africa, the brands had to be available in at least one other country beyond their domicile market in Africa.

The Brand Africa 100 thus represents the top 100 most admired brands in Africa, irrespective of country or origin.

Brand valuation phase

In the valuation phase, Brand Africa partner Brand Finance, the world's leading brand valuation and strategy firm, determines the value of each of the top 100 most admired brands. Annually, Brand Finance researches and values brands globally and publishes the most comprehensive range of valuation tables. The results for each brand in each market are tracked on Brand Finance's www.brandirectory.com. Thus the value of each brand in the top 100 is the most up-to-date valuation sourced from the directory. Where a brand does not exist in the directory, Brand Finance values it and updates the directory for future tracking.

Brand Finance uses the "royalty relief" methodology to value brands. This consists of determining the amount a business would have to pay the brand owner in licence fees (royalties) in order to use the brand.

The royalty relief method is the most accepted in the accounting and legal fields for three main reasons. First, it uses real-life existing agreements and transactions as a reference. Second, it is based on publicly available financial and economic data. Third, it complies with the requirements of the International Valuation Standards Authority for determining the fair market value of brands.

Overall, the Brand Africa 100 methodology produces a table which uses a rigorous consumer-led methodology consistent with global best practice and a unique consumer-led valuation ranking. In essence, the Brand Africa 100 list represents the top 100 brands Africans admire and their contribution to shareholder wealth.

Ollie Schmitz, valuation director, Brand Finance Africa; Karin Du Chenne, chief client officer, Kantar Insights Africa Mediterranean Middle East Region; and Matthieu Sauvage-Mar, client services, GeoPoll

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Most Admired African Brands

	OVERALL 2016/7 RANK	BRAND	CATEGORY	COUNTRY OF ORIGIN
1	9	MTN	Telecommunications	South Africa
2	16	Glo/Globacom	Telecommunications	Nigeria
3	24	Dangote Group	Consumer, Non-Cyclical	Nigeria
4	26	Anbessa Shoes	Apparel	Ethiopia
5	28	Safaricom/Mpesa	Telecommunications	Kenya
6	38	Tusker	Alcoholic Beverages	Kenya
7	45	Mukwano Products	Consumer, Non-Cyclical	Uganda
8	47	DStv/Gotv/Multichoice	Media	South Africa
9	53	Shoprite	Retail	South Africa
10	55	Tiger Brands	Consumer, Non-Cyclical	South Africa

Most Valuable African Brands

	OVERALL BRAND VALUE RANK	2016/7 ADMIRATION RANK	BRAND	CATEGORY	COUNTRY OF ORIGIN	BV 2017 (US\$ M)	BRAND STRENGTH RATING 2017
1	47	9	MTN	Telecommunications	South Africa	2,975	AA+
2	67	53	Shoprite	Retail	South Africa	999	AA-
3	69	55	Tiger Brands	Consumer, Non-Cyclical	South Africa	883	AA-
4	72	28	Safaricom/Mpesa	Telecommunications	Kenya	691	AA-
5	73	47	DStv/Gotv/Multichoice	Media	South Africa	623	A+
6	74	93	Pick n Pay	Retail	South Africa	576	A+
7	76	24	Dangote	Consumer, Non-Cyclical	Nigeria	491	AA-
8	77	16	Glo/Globacom	Telecommunications	Nigeria	427	A-
9	79	38	Tusker	Alcoholic Beverages	Kenya	201	A+
10	82	89	Sasko	Food	South Africa	154	A+

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For over a decade, Brand Leadership has been an indispensable pan-African partner for Building Great Brands in Africa. We fuse insights, strategy and creativity to deliver brand-led solutions that respond to African needs, conditions and ambitions – and drive the bottom-line.

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Building Great Brands



Top Brands Interview

Samsung, this year's most admired brand, tailors its products to meet the specific needs of its consumers.

Built for Africa

Despite the Galaxy Note 7 crisis, which wiped off billions off the value of its mobile business and put the overall brand on the line, Samsung has weathered the storm to claim the number one spot as the most admired brand in Africa, ahead of perennial African giant, MTN. Samsung's Sthembile Shabangu, head of public relations, public affairs and corporate citizenship, Africa Headquarters, discussed the reasons for their success with *African Business*.

AB: How did you survive the Note 7 crisis in Africa?

SS: Despite the fact that the Note 7 had not yet been launched in Africa, we proactively aligned with our global strategy to recall any Note 7 irrespective of where it was bought and made it easy for customers anywhere in Africa to return it without any conditions. We were quick, responsive and accessible. As a business, we understand our responsibilities to our consumers, who are at the centre of our decisions.

Why is the Samsung brand so strong in Africa?

We understand and are committed to the continent. Everywhere we do business, we are connected with our consumers and our solutions – encapsulated here by our Built for Africa strategy – are designed to meet the specific needs and conditions of the region. When people hear the name “Samsung”, the first things that may come to mind are our smart devices, like smartphones and televisions; after all, we are the global leader in both. Many have experienced Samsung products in the world of business, whether it's our large-format displays transforming their shopping experience in a retail store, multi-format printers in their office, or one of our healthcare solutions in a hospital. Samsung helps to power more of our digital world than most people probably imagine.

Aren't you concerned that your Built for Africa strategy may be interpreted to mean a sort of “dumbing down” for Africa?



Samsung helps to power more of our digital world than most people probably imagine.



On the contrary we would probably argue that our Built for Africa products are even more advanced than our offerings anywhere. In delivering these products, we first start with the high specification of a Samsung product and build on smart innovations that adjust the product to market conditions, such as electricity, particularly in Western and Central Africa, and economic challenges. For example, our AddWash washing machines save on water and electricity consumption and our range of solar-powered products take advantage of the one source of energy that's abundant, accessible, affordable and characterised by an environmentally friendly footprint.

Africa is diverse not only regionally but even within countries. With your brand present in all African countries, how do you do business in Africa?

Our brand is anchored on three key priorities which



are adapted to every market we do business in – to commit to consumers, enhance innovations and corporate citizenship, and fit into the lives of consumers. Second, operationally we have segmented the market into three main hubs – Southern Africa, East Africa and Western and Northern Africa – which enables us to serve Anglo and Francophone Africa seamlessly.

So what difference have you made to the lives of ordinary Africans?

Our corporate citizenship approach and engagement with citizens is designed to respond to the specific challenges and government priorities in every market. For example in Tanzania, in the Maasai village of Ololosokwan, an area with meagre modern resources, we have built a digital village featuring smart solar-powered internet school, solar-powered health centre and solar-powered telemedical centre, which can pro-

An employee inspects one of the new top-end refrigerators from Samsung's Built for Africa range.

vide patients in rural areas with access to doctors and medical specialists anywhere in the world, working in partnership with UNESCO. The Samsung Digital Village was born out of our belief that success cannot only be measured by business achievements, but also by how well a business serves its communities and impacts people's lives through ICT.

In Kenya, where our focus is on education, we have rolled out smart schools and smart libraries. Our Samsung Engineering Academy revolutionises traditional education by providing technical and vocational training for school learners, tertiary students and unemployed youth.

In South Africa, we launched the Khulanathi Enterprise and Supplier Development Programme, an initiative designed to help former employees start their own businesses, in line with Samsung's objective to support enterprise development in South Africa.

We have partnered with New Generation Mindset (NGM), a supplier development and incubation company to focus on building entrepreneurs' business and technical skills over the next three years, so that they may develop the competence and confidence to serve as suppliers to Samsung and other businesses.

Foreign multinationals are often criticised for using their own nationals to lead African businesses while local talent is targeted for positions away from the real strategic centre of the organisation. How is Samsung dealing with that challenge?

While in the early stages experienced South Korean leadership is dispatched to build the businesses, our global mandate is to always find and develop local talent and capacity to lead the business into the future. In fact, in the majority of our offices around the continent, our management reflects the countries in which we do business.

How are you going to maintain your leadership in the hearts and homes of African?

We never rest. Innovation is at the heart of Samsung. We will continue to innovate solutions that help transform the continent. Globally, we want to be one of the world's most valuable brands, and earn the consumers' trust and admiration by pushing the limits of what technology can do and continue to make our products relevant to everybody's lives. We are proud to play a significant role in addressing various challenges in Africa, including socio-economic challenges, particularly in the education sector, and will work with partners around the continent to make a lasting difference. ■