How do cloud priorities differ in African markets?

By Matthew Barker   6 Jun 2018

When it comes to hosting and accessing applications in the cloud, businesses in South Africa have very different priorities to those in Kenya and Nigeria. An obvious statement perhaps, considering that these markets are vastly different in their technology adoption and usage.

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Yet, an interesting finding from our recent Cloud Africa 2018 research was that South African businesses tend to be more inwardly focused in their cloud application usage – prioritising the staff experience – whereas Kenyan and Nigerian businesses are more outwardly focused – prioritising the customer experience.

Apps define markets

Our research, carried out in partnership with World Wide Worx, polled decision-makers at 300 medium and large organisations about their cloud computing usage, benefits, and intentions.

> " *One of the key findings was that 68% of Nigerian organisations and 67% of Kenyan organisations ranked service apps as critical to their businesses, compared to just 40% of South African organisations.* "

This makes sense, considering the benefits of hosting service apps in the cloud: lower costs, enterprise mobility, higher reliability of services, and the ability to scale services up or down in line with business requirements.

These benefits are especially attractive to organisations that are not hampered by legacy infrastructure investments, which is often the case in Kenya and Nigeria.

Inward focus

South African organisations, however, are more advanced in their adoption of cloud service apps and have now turned their focus inward, with the biggest priority being human resources. Some 43% of South African respondents said HR apps were critical to their business, compared to 19% in Kenya and 10% in Nigeria. South African businesses also reported increased use of training apps in the cloud, at 14%, compared to just 2% in Nigeria and Kenya.

We could argue that South African businesses have been reaping the benefits of service apps for some time and are now finding ways to improve their competitiveness using cloud computing.

One way to do this is by attracting top talent, which is one benefit of hosting HR apps in the cloud. Others include reduced paperwork, employee self-service, faster onboarding and better management of performance, compensation, leave and employee data, all of which frees up time and resources to focus on increasing competitiveness, like expansion into new markets.

SA prioritises CloudOps

A further indication of the low emphasis on internal apps is the rating of operational apps, which are seen as critical by only 15% of respondents in Kenya and 10% in Nigeria. While still low in South Africa, at 30%, it was more than double the proportion of the other two countries combined.

Getting operations right is key to running a business effectively in the cloud. Ensuring peak performance and availability of apps with minimal downtime is crucial to meet the needs and expectations of users.

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Many South African organisations still manage this aspect of cloud computing themselves, whereas Kenyan and Nigerian organisations have largely outsourced this function to focus on better serving their customers through product and service innovation.

Business apps on par

One area where all markets are equal, however, is in business apps, with only small variations between the three countries measured. Nigerian respondents took them slightly more seriously than the rest, with 76% seeing them as critical, while 72% of South African companies and 67% of those in Kenya agreed.

Despite the greater emphasis on HR apps by South African businesses, there was a relatively even split across the

countries in terms of finance, logistics, marketing, accounting, and procurement apps.

Running apps in the cloud used to be a strategic business decision. Yet, with more and more apps becoming cloud native and more businesses pursuing a cloud-first strategy, African organisations are now focusing on how they can leverage the cloud to increase competitiveness, better serve their customers and innovate in their products and services.

ABOUT THE AUTHOR

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