

Strategies that go the distance in Africa

The do's and don'ts of internationalizing in Africa. Any strategy must have socioeconomic transformation at its core.



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By [Africa Ariño](#)

"We may live on the same continent, but a Moroccan, a Ghanaian, a Kenyan and a Zambian

are quite different. If I take my Kenyan business model and superimpose it on Burundi, I will not be successful.”

So declared Joshua Oigara, CEO of Kenya Commercial Bank (KCB) Group. And he should know. KCB has become the largest indigenous banking group in East Africa, with operations in Burundi, Rwanda, South Sudan, Tanzania and Uganda. His was a message I heard time and again during my research sabbatical to sub-Saharan Africa in 2014: In Africa, copy/paste strategies don't work.

Leveraging IESE's close ties with [Strathmore Business School](#) in Kenya and [Lagos Business School](#) in Nigeria, I traveled throughout the region, speaking face-to-face with some of the African business leaders helping to generate the phenomenal growth statistics that I had been reading about from my office in Barcelona. This yielded a wealth of qualitative data on the realities of internationalizing business operations in Africa.

For companies wishing to expand their operations across the continent, quantitative data and statistical analyses are meaningless unless they go hand-in-hand with a deeper understanding and appreciation of the non-traditional factors that make growing a business there possible.

This article shares their collective insights, shedding light on the do's and don'ts of internationalizing in Africa.

Distance matters in Africa

The business leaders I interviewed understood that many of the challenges they faced boiled down to one thing: distance.

By distance, I don't just mean the geographic kind. As my IESE colleague [Pankaj Ghemawat](#) has illustrated through his CAGE distance framework, the success of a company's internationalization efforts partly depends on how well a company accounts for Cultural, Administrative, Geographic and Economic differences or distances between countries.

Let's examine each distance dimension in order, bearing in mind what the African business leaders told me.

The full article is published in [IESE Insight 24 \(Q1 2015\)](#).

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