



# The African Market dynamics

Where to build, where to sell, and what  
actually works on the ground

Sandbox  
Réseau



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THE FOUNDER'S GUIDE TO MARKET ENTRY

# Africa is not one market. Pick yours *deliberately*.

Where to build, what works on the ground, and how to decide which market is right for your business.

The differences between Nigeria and Kenya are as vast as the differences between Brazil and Japan. Payment rails, languages, regulatory regimes, consumer behaviour and competitive landscapes vary dramatically. This guide puts them side by side, so that the first market, and the next one, are choices rather than accidents.

|    |                             |                                                                                                                                                                 |
|----|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 01 | Choosing a Market           | Before committing to any market, evaluate it rigorously. Start with the snapshot, then run every candidate through ten dimensions.                              |
| 02 | The Big Four                | Africa's most funded, most competitive, and most watched markets. They attract 70%+ of continental venture capital.                                             |
| 03 | Contenders & Emerging Plays | Smaller than the Big Four, but with cleaner entry points, less competition and strong digital infrastructure, plus four earlier-stage markets with real upside. |
| 04 | The Frontier                | The smaller markets across West and Central Africa. All of them underserved and overlooked; which one it is depends on the product.                             |
| 05 | The Entry Playbook          | The full map, the payment matrix, four proven expansion sequences, what it costs to operate, and the mistakes that keep killing expansions.                     |
| 06 | Money, Momentum & Behaviour | Diaspora flows, the markets accelerating fastest, where venture capital goes, and how African consumers discover, trust and keep using digital products.        |

22

markets profiled, from the Big Four to the deep frontier

70%+

of continental venture capital goes to the Big Four

\$100B+

a year in diaspora remittances to Africa

~145M

people in UEMOA: one currency, one language

# The market map

Six parts, twenty-two markets. Read left to right: how to choose, the markets themselves, then how to enter and grow.



CHOOSE → ENTER AND GROW

Easy entry Medium Hard Skip for now



# Choosing a Market

*Where can your product actually survive?*

Before committing to any market, evaluate it rigorously. Start with the snapshot, then run every candidate through ten dimensions.

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**01** The quick view

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**02** The ten-dimension framework

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## ● 1.1 · CHOOSING A MARKET

## 1.1 The Quick View

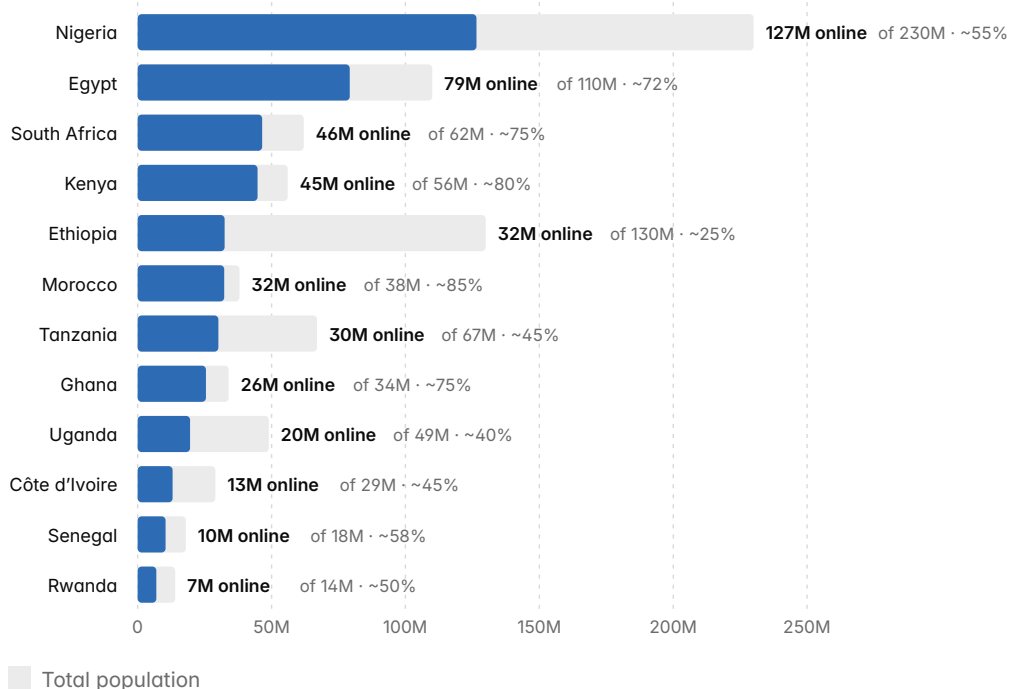
Before the deep dives, here's the snapshot. This table shows what matters most when deciding where a digital product can survive.

| COUNTRY       | POP. | INTERNET | PRIMARY PAYMENT RAIL                      | LANGUAGE                   | EASE OF ENTRY | MARKET SIZE SIGNAL    |
|---------------|------|----------|-------------------------------------------|----------------------------|---------------|-----------------------|
| Nigeria       | 230M | ~55%     | Bank transfer (NIBSS), Cash, OPay/PalmPay | English                    | ● Hard        | Massive but volatile  |
| Kenya         | 56M  | ~80%     | M-Pesa (mobile money)                     | English/Swahili            | ● Medium      | Mature, competitive   |
| South Africa  | 62M  | ~75%     | Cards, banking apps                       | English + 10 others        | ● Medium      | Most spending power   |
| Egypt         | 110M | ~72%     | Cash, InstaPay, cards                     | Arabic                     | ● Hard        | Fast-growing, gov-led |
| Ghana         | 34M  | ~75%     | Mobile money (MTN MoMo)                   | English                    | ● Medium      | Growing, underserved  |
| Rwanda        | 14M  | ~50%     | Mobile money, eKash                       | English/French/Kinyarwanda | ● Easy        | Small but clean       |
| Senegal       | 18M  | ~58%     | Orange Money, Wave                        | French                     | ● Medium      | Francophone gateway   |
| Tanzania      | 67M  | ~45%     | M-Pesa, Tigo Pesa                         | Swahili/English            | ● Medium      | High mobile money use |
| Côte d'Ivoire | 29M  | ~45%     | Orange Money, MTN MoMo                    | French                     | ● Medium      | Economic hub of UEMOA |
| Ethiopia      | 130M | ~25%     | Cash, telebirr (emerging)                 | Amharic                    | ● Hard        | Massive, early stage  |
| Uganda        | 49M  | ~40%     | MTN MoMo, Airtel Money                    | English/Swahili            | ● Medium      | Active startup scene  |
| Morocco       | 38M  | ~85%     | Cards, bank transfer                      | French/Arabic              | ● Medium      | North Africa gateway  |

FIGURE 1.1

**Population is not opportunity**

People online (population × internet penetration), against total population. Ethiopia has more than twice Kenya's population but fewer people online.

**Note**

Population and internet penetration from the quick view above. Online population is a simple product of the two, so treat it as an estimate.

## 1.2 · CHOOSING A MARKET

## 1.2 The Pre-Market Entry Framework

Before committing to any market, founders and business leaders should rigorously evaluate the following dimensions. This framework applies regardless of starting market or product category.

### 01 Market Size & Addressable Demand

Population alone does not equal opportunity. Evaluate the digitally connected population, smartphone penetration, and the specific segment a product serves. A country of 130 million with 25% internet penetration has a smaller addressable market than a country of 56 million with 80% penetration.

**KEY QUESTIONS**

- What is the size of the digitally active population?
- What percentage uses smartphones vs. feature phones?
- Is there demonstrated willingness to pay for digital products in this category?

- What does the user acquisition funnel look like on the ground?

## 02 Payment Infrastructure Fit

Revenue models must align with the dominant payment rail in the target market. A product built on card payments will struggle in a mobile-money-first economy, and vice versa.

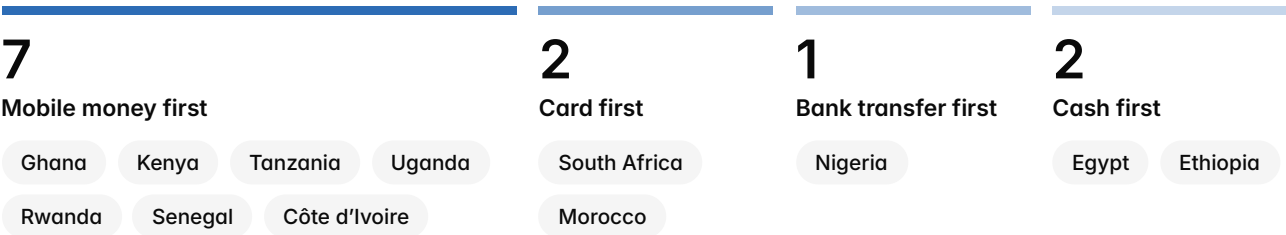
KEY QUESTIONS

- Is the market mobile-money-first (Ghana, Kenya, Tanzania), card-first (South Africa), or bank-transfer-first (Nigeria)?
- Can the product integrate with local payment infrastructure without rebuilding the payment stack?
- What are the transaction fees, settlement timelines, and chargeback dynamics for each rail?
- Are there aggregators (Paystack, Flutterwave) that simplify multi-rail integration?

FIGURE 1.2

### Where the money moves

The twelve quick-view markets grouped by their primary payment rail



Note

Grouped by the primary payment rail in the quick view. Côte d'Ivoire and Cameroon are close to evenly split between mobile money and cash (see the payment matrix in Part 5).

## 03 Language & Localisation Cost

English-only products fail in Francophone and Arabic-speaking markets. The cost of localisation goes far beyond translating UI strings.

KEY QUESTIONS

- What is the primary language of commerce (not just the official language)?
- What is the full cost of localisation — UI, customer support, marketing, legal documents?
- Does the localisation investment unlock adjacent markets? (e.g., French unlocks 8 UEMOA countries; Arabic unlocks Egypt + Morocco)
- Are there cultural nuances beyond language (imagery, tone, UX patterns)?

## 04 Regulatory & Licensing Landscape

Some markets require formal licenses to operate digital services, especially fintech. Regulatory predictability varies wildly.

KEY QUESTIONS

- Is a license required, and how long does approval take?
- How predictable is the regulatory environment? (Watch for sudden policy shifts — Nigeria’s CBN, Uganda’s OTT tax)
- Are there startup-friendly frameworks? (e.g., Senegal’s Startup Act, Rwanda’s regulatory sandbox)
- What data protection and privacy laws apply?

## 05 Currency & FX Risk

Currency volatility can destroy margins overnight. This is one of the most underestimated risks in African market expansion.

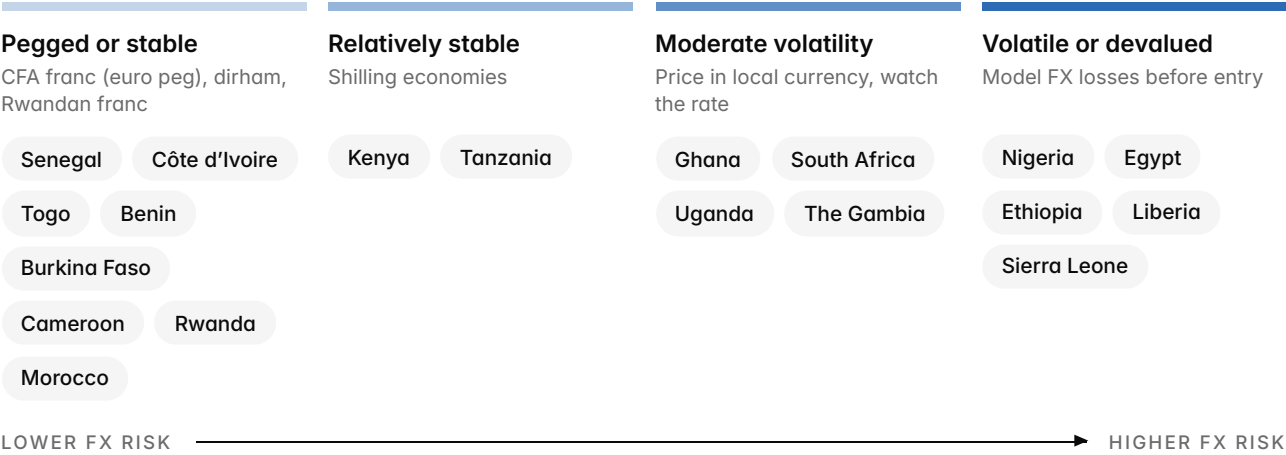
KEY QUESTIONS

- Is the currency stable, pegged (CFA Franc → Euro), or volatile (Naira, Leone, Birr)?
- If pricing is in local currency but costs are in USD/EUR, what is the FX exposure?
- Are there capital controls or repatriation restrictions?
- What hedging options exist? Can revenue be held in stable currencies?

FIGURE 1.3

### Currency risk, from pegged to volatile

How each profiled market’s currency is described in Parts 2–4. Darker means more FX exposure for USD costs.



**Note**  
Classification follows the currency line of each country profile in this guide.

## 06 Competitive Density

Understanding the competitive landscape determines whether a market is an opportunity or a graveyard.

**KEY QUESTIONS**

- Who is already operating in this market? Are they well-funded?
- Is the market saturated (Kenya fintech) or greenfield (Liberia)?
- Are global players present (South Africa) or is it primarily local competition?
- What is the barrier to entry for new competitors?

## 07 Infrastructure Reality

Digital products depend on infrastructure that varies dramatically across the continent.

**KEY QUESTIONS**

- How reliable is power? (Load shedding in South Africa, outages in Nigeria and Ethiopia)
- What is internet quality and consistency outside capital cities?
- What is the smartphone vs. feature phone split — does the product need to work on USSD?
- What is the state of logistics infrastructure for physical product delivery?

## 08 Talent Availability

The ability to hire locally impacts operational costs, speed, and cultural alignment.

**KEY QUESTIONS**

- Can the company hire locally, or does it need to deploy a remote team?
- What is the competition for tech talent? (High in Nairobi and Lagos, lower in Lomé and Monrovia)
- Are there local tech hubs, universities, or training programs producing relevant talent?
- What are salary expectations relative to the revenue opportunity?

## 09 Go-to-Market Channels

Distribution in Africa often looks different from other regions. Assumptions from Western markets rarely apply.

**KEY QUESTIONS**

- What is social media penetration and platform preference? (WhatsApp dominates most markets; TikTok is growing; Facebook remains relevant)
- Are there agent networks for last-mile distribution?
- What partnership opportunities exist with telcos, banks, or existing platforms?
- How important is community-based marketing and word-of-mouth?
- What is the role of informal distribution channels (market traders, churches, unions)?

## 10 Regional Connectivity & Scale Path

Individual African markets are often too small to sustain a venture-backed business alone. The best market entries are those that unlock a broader region.

### KEY QUESTIONS

- Does this market connect to a larger economic zone? (UEMOA, CEMAC, EAC, SADC)
- Can one market entry unlock multiple countries through shared currency, language, or regulation?
- What is the logical next market after this one?
- Are there cross-border trade corridors that create natural expansion paths?



# The Big Four

*Enormous markets. Are you ready for them?*

Africa's most funded, most competitive, and most watched markets. They attract 70%+ of continental venture capital.

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01 Nigeria

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02 Kenya

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03 South Africa

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04 Egypt

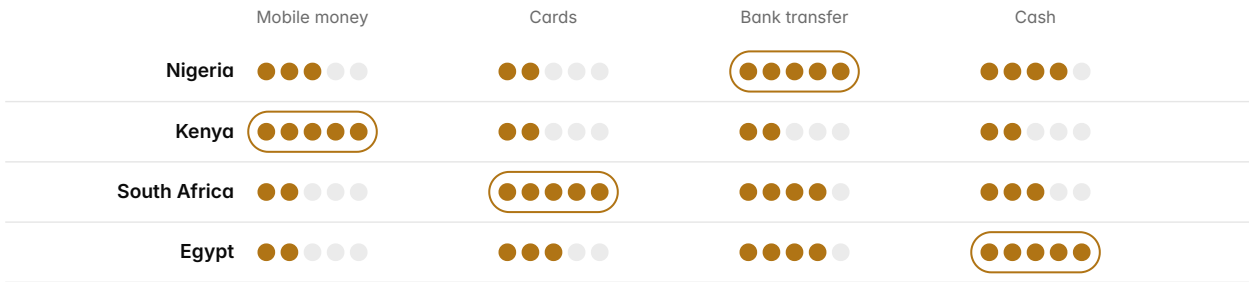
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These are Africa’s most funded, most competitive, and most watched markets. They attract 70%+ of continental venture capital.

FIGURE 2.1

Four giants, four payment cultures

Strength of each payment rail, 1–5 dots. The ringed rail is the one a product must support to exist in that market.



**Note**  
Ratings from the payment matrix in Part 5.

● 2.1 · THE BIG FOUR

2.1 Nigeria



The Giant You Can’t Ignore

|                                              |                                          |                                                                             |
|----------------------------------------------|------------------------------------------|-----------------------------------------------------------------------------|
| POPULATION<br>230 million (Africa’s largest) | INTERNET<br>~55%                         | PAYMENT RAIL<br>Bank transfers (NIBSS Instant Payment), Cash, OPay, PalmPay |
| LANGUAGE<br>English (+ Yoruba, Igbo, Hausa)  | CURRENCY<br>Naira (NGN), highly volatile | EASE OF ENTRY<br>● Hard<br>Massive, volatile                                |

- WHAT WORKS HERE
- **Fintech (payments, lending, savings).** Nigeria’s fintech ecosystem is the most funded in Africa.
  - **B2B SaaS for SMEs.** There are millions of small businesses with no digital tools.
  - Logistics and last-mile delivery.
  - Entertainment and media (Nollywood ecosystem, music streaming).

- WHAT’S HARD
- **Currency volatility.** The Naira has devalued significantly. If pricing is in Naira and costs are in USD, margins evaporate. Many startups have been burned by this.
  - **Infrastructure.** Power outages, inconsistent internet outside Lagos/Abuja, and logistical nightmares.

- **Competition.** Every major African and global startup targets Nigeria first. New entrants compete with well-funded players from day one.
- **Regulation.** The CBN (Central Bank of Nigeria) can be unpredictable. Policy shifts happen fast and can reshape markets overnight.

**PAYMENT REALITY**

Nigeria is bank-transfer first, not mobile-money first. NIBSS Instant Payment is the backbone. Fintechs like OPay, PalmPay, and Moniepoint have built consumer wallets on top of this. Card penetration is low for everyday transactions.

● **THE VERDICT**

Enormous market, enormous risk. Enter Nigeria only after achieving product-market fit elsewhere and with capital to sustain FX losses. Don't make it a first international market.

## ● 2.2 · THE BIG FOUR

## 2.2 Kenya



### The Mobile-First Benchmark

|                              |                                                      |                                                  |
|------------------------------|------------------------------------------------------|--------------------------------------------------|
| POPULATION<br>56 million     | INTERNET<br>~80%<br><div><div></div></div>           | PAYMENT RAIL<br>M-Pesa (Safaricom)               |
| LANGUAGE<br>English, Swahili | CURRENCY<br>Kenyan Shilling (KES), relatively stable | EASE OF ENTRY<br>● Medium<br>Mature, competitive |

**WHAT WORKS HERE**

- **Anything built on M-Pesa rails.** If a product can charge via M-Pesa, it has instant distribution to 30M+ users.
- **Climate tech and clean energy.** Kenya leads Africa in this sector.
- **Agri-tech.** Strong agricultural economy with tech-savvy farmers.
- B2B platforms for SMEs.
- SaaS tools for the growing middle class.

**WHAT'S HARD**

- **M-Pesa dominance.** Safaricom controls the ecosystem. Building a payment product that competes with M-Pesa is nearly impossible. Building on top of it is the only path.
- **Market saturation.** Kenya has been the "poster child" of African tech for a decade. The easy problems have already been attempted.
- **Talent competition.** Nairobi has the highest concentration of tech talent in East Africa, which means higher salaries and poaching.

**PAYMENT REALITY** M-Pesa is not just a payment method. It's a way of life. Over 80% of Kenyans use it. Products must accept M-Pesa or they effectively don't exist in this market.

● **THE VERDICT**  
The most mature digital market in Africa. If a product works with mobile money, Kenya is one of the strongest entry points on the continent. The infrastructure is real.

● 2.3 · THE BIG FOUR

## 2.3 South Africa

### *The Infrastructure Play*



|                                                              |                                                              |                                                  |
|--------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|
| POPULATION<br>62 million                                     | INTERNET<br>~75%<br><div><div></div></div>                   | PAYMENT RAIL<br>Cards, banking apps, EFT         |
| LANGUAGE<br>English (+ Zulu, Xhosa, Afrikaans, and 8 others) | CURRENCY<br>South African Rand (ZAR),<br>moderate volatility | EASE OF ENTRY<br>● Medium<br>Most spending power |

**WHAT WORKS HERE**

- **Enterprise SaaS.** South Africa has real corporate budgets and procurement processes.
- **E-commerce.** Highest online spending per capita in Africa.
- Fintech (but card and banking-first, not mobile money).
- EdTech for corporate training and upskilling.

**WHAT'S HARD**

- **Different payment culture.** South Africa is card and bank-first, not mobile-money-first. Products built on mobile money rails need to rebuild payment integrations entirely.
- **Load shedding.** Power outages (Eskom) disrupt digital services and consumer behaviour. Users can't engage with an app if their phone is dead and there's no power.
- **Inequality.** The market is bifurcated. The top 20% have Western-level spending power. The bottom 80% have very different needs and price sensitivity.
- **Competition from global players.** South Africa is the one African market where global SaaS companies (Salesforce, HubSpot, etc.) actually compete.

**PAYMENT REALITY** This is the one African market where debit and credit cards dominate digital transactions. Banking apps (FNB, Capitec, Nedbank) are widely used. Mobile money exists (MTN MoMo) but hasn't achieved the same penetration as in East/West Africa.

## ● THE VERDICT

High-value market but different from the rest of Africa. Only enter if the product can serve the card-paying, app-using, corporate-budget segment. Not the right market for mobile-first, low-cost products.

## ● 2.4 · THE BIG FOUR

## 2.4 Egypt



## Government-Led Growth

|                                                  |                                                               |                                                        |
|--------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------|
| POPULATION<br>110 million (Africa's 3rd largest) | INTERNET<br>~72%<br><div><div></div></div>                    | PAYMENT RAIL<br>Cash (still dominant), InstaPay, cards |
| LANGUAGE<br>Arabic                               | CURRENCY<br>Egyptian Pound (EGP), has experienced devaluation | EASE OF ENTRY<br>● Hard<br>Fast-growing, gov-led       |

## WHAT WORKS HERE

- Government-aligned tech (govtech, smart city infrastructure, e-government).
- Fintech for financial inclusion (large unbanked population).
- EdTech (massive youth population with demand for skills).
- E-commerce (growing rapidly from a low base).

## WHAT'S HARD

- **Language barrier.** Products must be in Arabic. English-only products have very limited reach.
- **Cash dominance.** Despite digital growth, cash still dominates retail transactions. Changing behaviour is slow.
- **Regulatory complexity.** Government is supportive of tech but heavily involved. Operators often need government partnerships or approvals.
- **Currency risk.** The EGP has devalued multiple times. Same FX risk as Nigeria.

## PAYMENT REALITY

Cash is still king for retail. InstaPay (real-time bank transfer) is growing fast for digital transactions. Cards are used by the affluent segment. Mobile money is still nascent compared to Sub-Saharan Africa.

## ● THE VERDICT

Massive market, but the language barrier and government-centric approach create significant barriers to entry. Best approached through local partnerships rather than direct expansion.



# Contenders & Emerging Plays

*Where are the cleaner entry points?*

Smaller than the Big Four, but with cleaner entry points, less competition and strong digital infrastructure, plus four earlier-stage markets with real upside.

|    |               |    |          |
|----|---------------|----|----------|
| 01 | Ghana         | 02 | Rwanda   |
| 03 | Senegal       | 04 | Tanzania |
| 05 | Côte d'Ivoire | 06 | Ethiopia |
| 07 | Uganda        | 08 | Morocco  |

These markets are smaller than the Big Four but offer cleaner entry points, less competition, and strong digital infrastructure. The emerging plays are earlier stage but offer significant upside for founders willing to move early.

FIGURE 3.1 | The job each market does  
The verdicts in this part, side by side

|               |                                                                        |              |
|---------------|------------------------------------------------------------------------|--------------|
| Ghana         | First market for Anglophone founders, and a beachhead for West Africa  | Enter        |
| Rwanda        | Validation, regulatory credibility and a clean pilot, not scale        | Pilot        |
| Senegal       | One French localisation, eight UEMOA countries, a euro-pegged currency | Enter        |
| Tanzania      | East African entry for USSD-ready, mobile-money-native products        | Enter        |
| Côte d'Ivoire | Enter alongside Senegal as one Francophone play, not alone             | With a block |
| Ethiopia      | Enormous long-term potential, but not ready for most launches today    | Watch        |
| Uganda        | Low-cost, mobile-money-native products; less crowded than Kenya        | Enter        |
| Morocco       | High potential, but a distinct French/Arabic, North African strategy   | Own strategy |

Enter

Enter with conditions

Watch

**Note**  
Summarised from each country's verdict in this part.

3.1 · STRONG CONTENDER

# 3.1 Ghana



## The Anglophone West Africa Launchpad

|                                             |                                                      |                                                                          |
|---------------------------------------------|------------------------------------------------------|--------------------------------------------------------------------------|
| POPULATION<br>34 million                    | INTERNET<br>~75%<br><div></div>                      | PAYMENT RAIL<br>Mobile money (MTN MoMo, Vodafone Cash, AirtelTigo Money) |
| LANGUAGE<br>English (+ Twi, Ga, Ewe, Hausa) | CURRENCY<br>Ghanaian Cedi (GH¢), moderate volatility | EASE OF ENTRY<br>Medium<br>Growing, underserved                          |

- WHAT WORKS HERE
- Mobile money products. MTN MoMo dominates with 20M+ active wallets. Ghana's mobile money interoperability system is one of the most advanced in West Africa.

- **Fintech for payments, lending, and savings.** Ghana's fintech ecosystem is growing rapidly, with Hubtel, Zeepay, and others scaling.
- **B2B SaaS for SMEs.** Ghana has a large informal business sector ripe for digital tools.
- **E-commerce and logistics.** Growing consumer demand, especially in Accra and Kumasi.
- **AgriTech.** Agriculture accounts for ~20% of GDP, with cocoa, cashew, and shea supply chains offering digitisation opportunities.

#### WHAT'S HARD

- **Currency volatility.** The Cedi has experienced significant depreciation in recent years, creating FX risk for businesses with USD-denominated costs.
- **Market size.** At 34 million, Ghana is smaller than Nigeria, Kenya, or Egypt. Scale requires eventual expansion to other markets.
- **Infrastructure outside Accra.** Internet quality and digital adoption drop significantly outside the Greater Accra and Ashanti regions.
- **Regulatory evolution.** The Bank of Ghana has been proactive but occasionally unpredictable (e.g., the e-money issuer licensing framework has shifted).

#### PAYMENT REALITY

Ghana is mobile-money-first. MTN MoMo is the dominant rail, processing the majority of digital transactions. The Ghana Interbank Payment and Settlement Systems (GhIPSS) enables interoperability between mobile money providers and banks. Card usage is growing but still secondary for everyday transactions.

#### WHY IT MATTERS

Ghana's English-speaking, mobile-money-mature, and relatively stable environment makes it one of the cleanest launchpads for testing digital products before expanding across West Africa. The regulatory environment, while evolving, is generally supportive of innovation. Accra's growing tech hub ecosystem (including accelerators, co-working spaces, and a deepening talent pool) provides strong operational infrastructure.

#### ● THE VERDICT

An excellent first market for Anglophone founders and a strong beachhead for West African expansion. Product-market fit proven in Ghana translates well to other English-speaking, mobile-money-dominant markets (Kenya, Uganda). The market is large enough to validate but small enough that competition hasn't crowded every vertical.

3.2 · STRONG CONTENDER

# 3.2 Rwanda



*Small, Clean, and Open for Business*

|                                                             |                                                            |                                                                                                       |
|-------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| <div>POPULATION</div> <div>14 million</div>                 | <div>INTERNET</div> <div>~50%</div> <div><div></div></div> | <div>PAYMENT RAIL</div> <div>Mobile money (MTN MoMo, Airtel Money), eKash (new national system)</div> |
| <div>LANGUAGE</div> <div>English, French, Kinyarwanda</div> | <div>CURRENCY</div> <div>Rwandan Franc (RWF), stable</div> | <div>EASE OF ENTRY</div> <div>● Easy</div> <div>Small but clean</div>                                 |

WHAT WORKS HERE

- Govtech and civic tech (government is extremely digital-forward).
- Fintech for payments and interoperability.
- Agritech (agriculture is the backbone of the economy).
- Tourism and hospitality tech.

WHAT'S HARD

- **Small market.** 14 million people. A massive business cannot be built on Rwanda alone.
- **Government involvement.** The government is a huge enabler but also a huge stakeholder. Building without alignment to national priorities is difficult.

PAYMENT REALITY

Mobile money is dominant. The new eKash system is designed to unify mobile money, bank accounts, and card payments into one interoperable layer. This is one of the most advanced payment infrastructure experiments on the continent.

WHY IT MATTERS

Rwanda is the “regulatory sandbox” of Africa. If a product works within Rwanda’s clean regulatory framework, it’s a credibility signal to investors and other governments. Rwanda launched eKash, a unified national digital payment system, in 2025. The government’s “Digital Acceleration Program” actively funds local startups.

THE VERDICT

Don’t go to Rwanda for scale. Go to Rwanda for validation, regulatory credibility, and a clean pilot environment. Then use that as proof to expand elsewhere.

3.3 · STRONG CONTENDER

# 3.3 Senegal



## The Francophone Gateway

|                              |                                                          |                                                  |
|------------------------------|----------------------------------------------------------|--------------------------------------------------|
| POPULATION<br>18 million     | INTERNET<br>~58%<br><div><div></div></div>               | PAYMENT RAIL<br>Orange Money, Wave, Free Money   |
| LANGUAGE<br>French (+ Wolof) | CURRENCY<br>CFA Franc (XOF), pegged to the Euro (stable) | EASE OF ENTRY<br>● Medium<br>Francophone gateway |

|                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| WHAT WORKS HERE | <ul style="list-style-type: none"><li>• Mobile money products (Wave disrupted the entire market by undercutting Orange Money on fees).</li><li>• Fintech for remittances (large diaspora in France).</li><li>• E-commerce and logistics.</li><li>• Creative economy tools (Dakar has a vibrant creative scene).</li></ul>                                                                                                                                                   |
| WHAT'S HARD     | <ul style="list-style-type: none"><li>• <b>Language.</b> Products must be in French. English won't work.</li><li>• <b>Wave dominance.</b> Wave (a US-backed fintech) has captured massive market share by offering free transfers. Competing in payments is very hard.</li></ul>                                                                                                                                                                                            |
| PAYMENT REALITY | Wave and Orange Money dominate. Wave's free P2P transfers have reshaped the market. Merchant payments are growing but still early.                                                                                                                                                                                                                                                                                                                                          |
| WHY IT MATTERS  | Senegal activated its Startup Act in 2025, offering certified startups tax incentives and priority access to government procurement. The CFA Franc is pegged to the Euro, which eliminates currency risk (unlike Nigeria or Egypt). Senegal is the gateway to the UEMOA zone (8 West African countries sharing the CFA Franc and French language), giving access to Côte d'Ivoire, Mali, Burkina Faso, Togo, Benin, Niger, and Guinea-Bissau through a single market entry. |

THE VERDICT

For businesses that can localise to French, Senegal gives access to 8 countries through one market. The currency stability is a major advantage. Strong second market for West African expansion after an Anglophone base.

3.4 · STRONG CONTENDER

# 3.4 Tanzania



## The Quiet Mobile Money Giant

|                                 |                                                         |                                                 |
|---------------------------------|---------------------------------------------------------|-------------------------------------------------|
| POPULATION<br>67 million        | INTERNET<br>~45%<br><div><div></div></div>              | PAYMENT RAIL<br>M-Pesa, Tigo Pesa, Airtel Money |
| LANGUAGE<br>Swahili (+ English) | CURRENCY<br>Tanzanian Shilling (TZS), relatively stable | EASE OF ENTRY<br>● Medium<br>High MoMo use      |

WHAT WORKS HERE

- Mobile money products (extremely high penetration relative to internet).
- Agritech (agriculture is 26% of GDP).
- Fintech for lending and savings.
- Energy and solar solutions.

WHAT'S HARD

- **Lower internet penetration.** Only ~45%, which limits app-based products.
- **Regulatory shifts.** Government has periodically tightened controls on digital services.
- **USSD dependency.** Many users interact with financial services via USSD (text-based menus), not apps.

PAYMENT REALITY

Tanzania has one of the highest mobile money adoption rates in Africa. M-Pesa is dominant, but Tigo Pesa and Airtel Money also have significant market share. Interoperability between providers is well-established.

THE VERDICT

Good market for mobile-money-native products. If a product can work on USSD (not just smartphone apps), Tanzania is a strong East African entry point alongside Kenya.

3.5 · EMERGING PLAY

# 3.5 Côte d'Ivoire

West Africa's Economic Engine



|                          |                                                   |                                              |
|--------------------------|---------------------------------------------------|----------------------------------------------|
| POPULATION<br>29 million | INTERNET<br>~45%<br><div><div></div></div>        | PAYMENT RAIL<br>Orange Money, MTN MoMo, Wave |
| LANGUAGE<br>French       | CURRENCY<br>CFA Franc (XOF), Euro-pegged (stable) | EASE OF ENTRY<br>● Medium<br>UEMOA hub       |

WHAT WORKS HERE

- Fintech (government is actively investing in local payment startups).
- E-commerce (Abidjan is a growing consumer market).
- Agritech (cocoa supply chain, cashew, rubber).

WHY IT MATTERS

Côte d'Ivoire is the economic powerhouse of the UEMOA zone. Abidjan is increasingly positioning itself as a tech hub. The Ministry of Digital Transition is actively backing startups. Same CFA Franc as Senegal, meaning both markets can be addressed simultaneously.

THE VERDICT

Enter alongside Senegal as part of a Francophone West Africa strategy. Not a standalone play.

3.6 · EMERGING PLAY

# 3.6 Ethiopia

The Sleeping Giant



|                                                          |                                                        |                                                                  |
|----------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------------------|
| POPULATION<br>130 million (Africa's 2nd largest)         | INTERNET<br>~25%<br><div><div></div></div>             | PAYMENT RAIL<br>Cash dominant, telebirr (Ethio Telecom) emerging |
| LANGUAGE<br>Amharic (+ Oromo, Tigrinya, English growing) | CURRENCY<br>Ethiopian Birr (ETB), recently liberalised | EASE OF ENTRY<br>● Hard<br>Sleeping giant                        |

WHAT WORKS HERE

- Financial services for the unbanked (massive greenfield opportunity).
- Agritech (coffee, agriculture-driven economy).

- Basic digital infrastructure tools.

WHAT'S HARD

- **Lowest internet penetration of any major African market.** Only ~25%. App-based products have very limited reach.
- **Telecom monopoly (until recently).** Ethio Telecom dominated until Safaricom entered in 2022. Competition is growing but infrastructure is still catching up.
- **Political instability.** Conflict in various regions creates operational risk.
- **Language complexity.** Amharic uses its own script (Ge'ez). Localisation is not trivial.
- **Closed financial system.** Foreign exchange controls are strict. Getting money in and out is difficult.

PAYMENT REALITY

Cash is overwhelmingly dominant. Telebirr (launched by Ethio Telecom) is growing fast from a low base. The National Bank of Ethiopia opened mobile money to private operators in recent years, creating new opportunities.

THE VERDICT

Enormous long-term potential, but not ready for most digital product launches today. Watch it closely, but don't enter until infrastructure catches up.

3.7 · EMERGING PLAY

# 3.7 Uganda

## The Builder's Market



|                              |                                                           |                                                                |
|------------------------------|-----------------------------------------------------------|----------------------------------------------------------------|
| POPULATION<br>49 million     | INTERNET<br>~40%<br><div><div></div></div>                | PAYMENT RAIL<br>MTN MoMo, Airtel Money                         |
| LANGUAGE<br>English, Swahili | CURRENCY<br>Ugandan Shilling (UGX),<br>moderate stability | EASE OF ENTRY<br><div></div> <b>Medium</b><br>Builder's market |

WHAT WORKS HERE

- Fintech (mobile money is deeply embedded).
- Agritech and agricultural supply chain tools.
- HealthTech (strong NGO/donor infrastructure for health).
- EdTech.

WHAT'S HARD

- **Social media tax history.** Uganda previously implemented an OTT (Over-The-Top) tax on social media, which reduced internet usage. Though modified, it signaled regulatory willingness to tax digital services.
- **Lower spending power.** Per-capita income is low, which limits pricing.

THE VERDICT

Good market for mobile-money-native, low-cost products. English-speaking, mobile-money-dominant, and less competitive than Kenya. A reasonable East African entry point.

3.8 · EMERGING PLAY

# 3.8 Morocco



The North Africa Bridge

|                                       |                                                     |                                                                 |
|---------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------|
| POPULATION<br>38 million              | INTERNET<br>~85% (highest in Africa)<br><div></div> | PAYMENT RAIL<br>Cards, bank transfers, mobile wallets (growing) |
| LANGUAGE<br>French, Arabic (+ Berber) | CURRENCY<br>Moroccan Dirham (MAD), stable           | EASE OF ENTRY<br><div></div> Medium<br>North Africa bridge      |

WHAT WORKS HERE

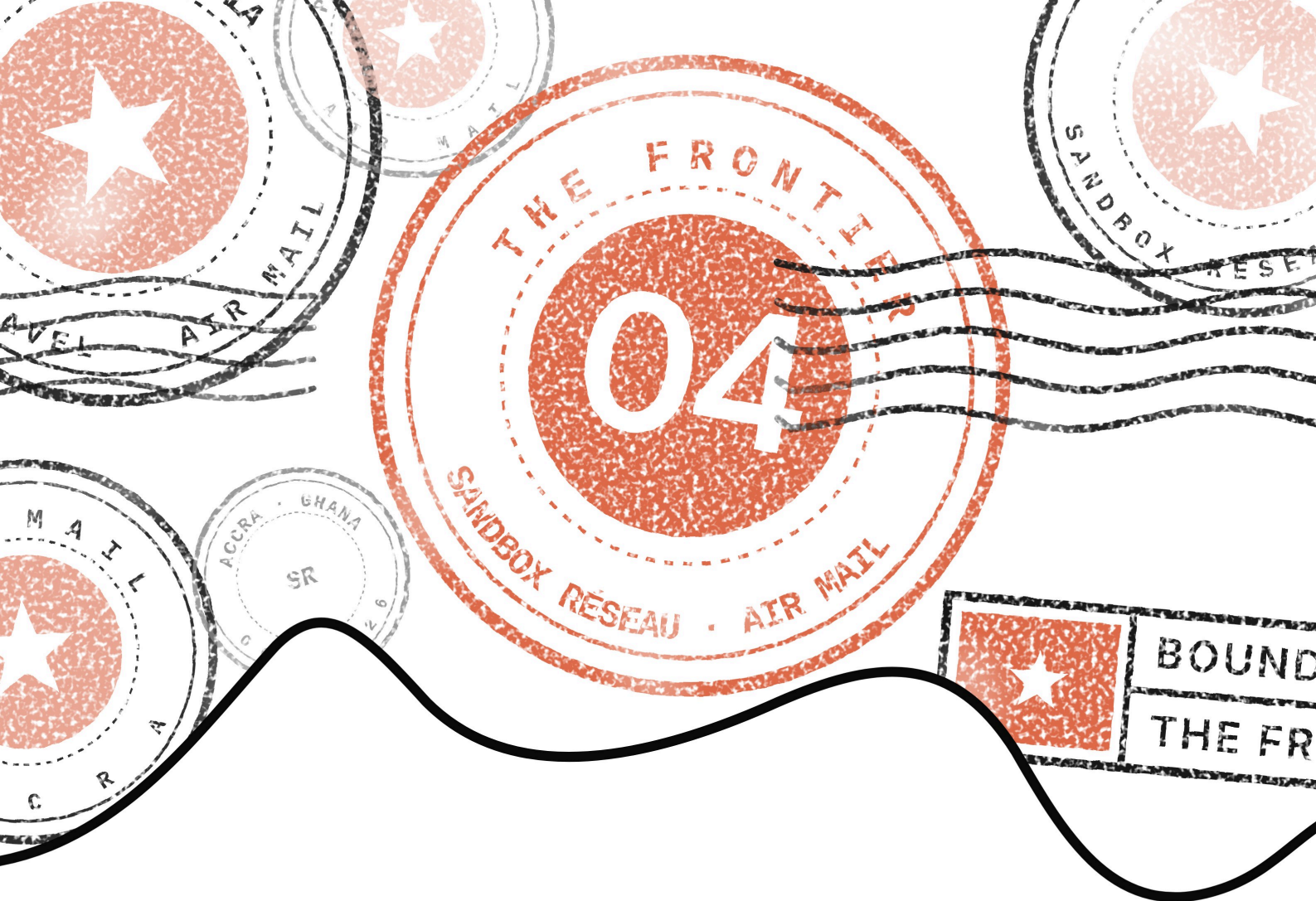
- E-commerce (highest internet penetration on the continent).
- Fintech for SME banking and lending.
- SaaS for enterprises.
- Tourism tech.

WHAT'S HARD

- **Language.** French and Arabic. English-only products won't work.
- **Different digital culture.** More European-influenced than Sub-Saharan African. Consumer expectations are higher.
- **Regulatory.** Morocco has strict fintech regulation. Licenses are required.

THE VERDICT

Very different from Sub-Saharan Africa. High potential if localisation is feasible, but culturally and linguistically it requires a distinct strategy from Sub-Saharan African markets.



# The Frontier

## *A warning, or an opportunity?*

The smaller markets across West and Central Africa. All of them underserved and overlooked; which one it is depends on the product.

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01 Togo

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03 Liberia

---

05 Cameroon

---

07 Burkina Faso

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02 Benin

---

04 Sierra Leone

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06 The Gambia

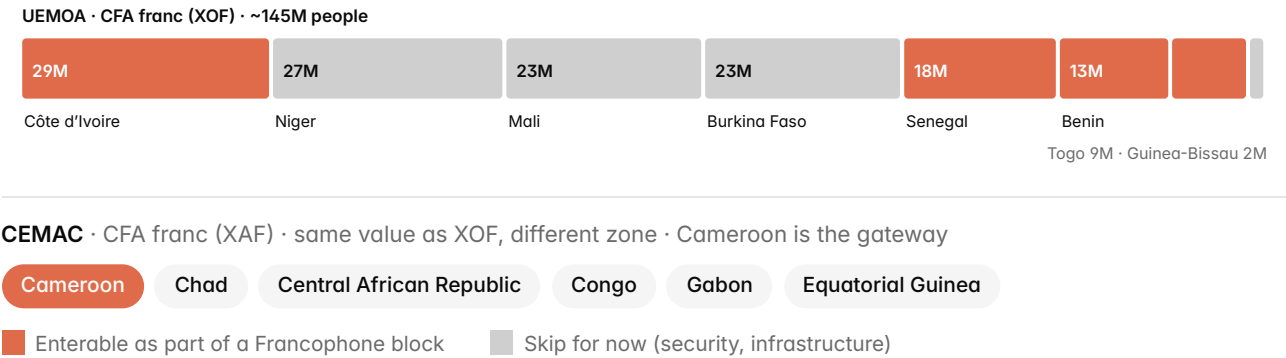
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08 Mali, Niger, Guinea-Bissau

---

These are the smaller markets across West and Central Africa. Some share borders with major hubs. Some share a currency. All of them are underserved and overlooked by the startup ecosystem. That’s either a warning or an opportunity, depending on the product.

FIGURE 4.1 | **Two currency zones, two gateways**  
UEMOA members by population. Coloured: markets this guide rates as enterable today. Grey: not viable for now.



**Note**  
Populations from the profiles in this guide. Both CFA francs are pegged to the euro.

● 4.1 · THE FRONTIER

# 4.1 Togo



*Small but Waking Up*

|                                   |                                          |                                                       |
|-----------------------------------|------------------------------------------|-------------------------------------------------------|
| POPULATION<br>9 million           | INTERNET<br>~35%<br><div></div>          | PAYMENT RAIL<br>Flooz (Moov), T-Money (Togocel), Wave |
| LANGUAGE<br>French (+ Ewe, Kabye) | CURRENCY<br>CFA Franc (XOF), Euro-pegged | EASE OF ENTRY<br>● Hard<br>UEMOA extension            |

- WHAT WORKS HERE
- Mobile money (growing rapidly, especially Wave entering the market).
  - Agritech (agriculture is the majority employer).
  - Basic fintech services for the unbanked.
  - Logistics between Lomé port and landlocked neighbours.

- WHAT'S HARD
- **Tiny market.** 9 million people. Limited standalone potential.
  - **Low internet penetration.** App-based products struggle. USSD-first design is essential.

- **Ecosystem is nascent.** The Djanta Tech Hub just launched in Lomé in May 2026, signaling early infrastructure.

WHY IT MATTERS

Togo is in the UEMOA zone and Lomé is a major port city serving landlocked countries. For businesses building for the CFA Franc zone, Togo is a natural extension from Côte d'Ivoire and Senegal. Language barrier (French) applies.

● THE VERDICT

Part of the Francophone West Africa expansion block. Not a standalone market. Enter as part of a Senegal/Côte d'Ivoire/Togo/Benin strategy.

● 4.2 · THE FRONTIER

## 4.2 Benin

### *The Digital Ambition*



|                                    |                                            |                                             |
|------------------------------------|--------------------------------------------|---------------------------------------------|
| POPULATION<br>13 million           | INTERNET<br>~38%<br><div><div></div></div> | PAYMENT RAIL<br>MTN MoMo, Moov Money, Wave  |
| LANGUAGE<br>French (+ Fon, Yoruba) | CURRENCY<br>CFA Franc (XOF), Euro-pegged   | EASE OF ENTRY<br>● Hard<br>Digital ambition |

WHAT WORKS HERE

- Mobile money (financial inclusion has reached near 90% in the WAEMU zone, partly driven by Benin).
- Fintech for payments and remittances (~20 active fintech startups).
- Govtech (government is digitising public services aggressively through the SMART GOUV program).
- Agritech (cotton, cashew, palm oil supply chains).

WHAT'S HARD

- **Small market.** 13 million people.
- **Still largely cash-based** for retail, despite mobile money growth.
- **Limited tech talent pool.** Sèmè City (Benin's flagship tech park) is trying to change this.

WHY IT MATTERS

Benin's government is projecting the digital economy to contribute 1,200 billion CFA francs to GDP by 2028. A 2024 banking law expanded frameworks for payment service providers. The ambition is real, even if execution is still catching up. Benin borders both Togo and Nigeria, making it a potential bridge market.

## ● THE VERDICT

Same as Togo. Part of the Francophone block. The government's digital ambition makes it more interesting than its size suggests. Watch the Sèmè City ecosystem.

## ● 4.3 · THE FRONTIER

## 4.3 Liberia



*English-Speaking, Underserved*

|                           |                                             |                                                               |
|---------------------------|---------------------------------------------|---------------------------------------------------------------|
| POPULATION<br>5.5 million | INTERNET<br>~32%<br><div><div></div></div>  | PAYMENT RAIL<br>Orange Money, Lonestar Cell<br>MTN MoMo, Cash |
| LANGUAGE<br>English       | CURRENCY<br>Liberian Dollar (LRD), volatile | EASE OF ENTRY<br>● Hard<br>Underserved, small                 |

## WHAT WORKS HERE

- **Basic mobile money services.** Financial inclusion is still low.
- Remittance tools (large diaspora in the US).
- Agricultural supply chain tools.
- Any product that reduces reliance on cash in the formal economy.

## WHAT'S HARD

- **Very small market.** 5.5 million people.
- **Low internet penetration.** ~32%. Infrastructure is limited outside Monrovia.
- **Currency instability.** The Liberian Dollar is volatile and transactions often involve both LRD and USD.
- **Fintech ecosystem is described as "nascent."** Very few local startups.
- **Infrastructure.** Unreliable power, limited broadband, weak banking penetration outside the capital.

## WHY IT MATTERS

Liberia is English-speaking and geographically adjacent to Ghana and Sierra Leone. The government has a 5-year digital roadmap (2025-2029). It's wildly underserved, which means almost no competition. But the market size and infrastructure make it difficult to justify as a priority.

## ● THE VERDICT

Only enter Liberia if the product already works in a similar West African market and requires minimal localisation. The English language advantage is real, but the infrastructure challenges are significant. Potential for impact-driven products (NGO/donor-funded) more than commercial products.

4.4 · THE FRONTIER

# 4.4 Sierra Leone

Frontier with Potential



|                              |                                                  |                                                    |
|------------------------------|--------------------------------------------------|----------------------------------------------------|
| POPULATION<br>8.5 million    | INTERNET<br>~30%<br><div><div></div></div>       | PAYMENT RAIL<br>Orange Money, Africell Money, Cash |
| LANGUAGE<br>English (+ Krio) | CURRENCY<br>Sierra Leonean Leone (SLL), volatile | EASE OF ENTRY<br>● Hard<br>Frontier, impact        |

WHAT WORKS HERE

- Fintech for financial inclusion (over 70% of the population is unbanked).
- Mobile money and digital payments.
- Agricultural tools.
- HealthTech (donor-funded health infrastructure from Ebola response).

WHAT'S HARD

- **Small and poor.** One of the lowest GDP per capita in the world.
- **Infrastructure.** Severe power and connectivity challenges.
- **Currency.** The Leone is highly volatile.
- **Spending power.** Very limited ability to pay for digital services.

WHY IT MATTERS

Sierra Leone has implemented an interoperable national payment switch (Bank of Sierra Leone), which is more advanced than expected. Fɛlei TechCity is an emerging innovation hub. The ecosystem is in its infancy but the government is actively pursuing digital financial inclusion.

● THE VERDICT

Similar to Liberia. Impact-driven products with NGO/donor funding models are more viable than pure commercial plays. English-speaking advantage, but the economics are challenging.

● 4.5 · THE FRONTIER

# 4.5 Cameroon



## Central Africa's Biggest Market

|                                                    |                                                                                            |                                                         |
|----------------------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------------------------------|
| POPULATION<br>28 million                           | INTERNET<br>~45%<br><div><div></div></div>                                                 | PAYMENT RAIL<br>MTN MoMo, Orange Money, Wave (entering) |
| LANGUAGE<br>French and English (bilingual country) | CURRENCY<br>CFA Franc (XAF), Euro-pegged (CEMAC zone, different from UEMOA but same value) | EASE OF ENTRY<br>● Medium<br>Central Africa gateway     |

|                 |                                                                                                                                                                                                                                                                                        |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| WHAT WORKS HERE | <ul style="list-style-type: none"><li>• Mobile money (11M+ active subscribers, 2.6 trillion CFA in transactions).</li><li>• Fintech for cross-border remittances (large diaspora).</li><li>• B2B tools for SMEs and merchants.</li><li>• Agritech (cocoa, coffee, palm oil).</li></ul> |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| WHAT'S HARD | <ul style="list-style-type: none"><li>• <b>Bilingual complexity.</b> The country is split between Francophone and Anglophone regions, with ongoing political tension in the Anglophone areas.</li><li>• <b>Regulatory tightening.</b> In 2025, authorities required all fintechs to obtain formal licenses or face closure. The regulatory environment is getting stricter.</li><li>• <b>Political risk.</b> The Anglophone crisis creates operational uncertainty in the Southwest and Northwest regions.</li></ul> |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                 |                                                                                                                                                                                                                         |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAYMENT REALITY | Mobile money dominates. The GIMACPAY system is connecting payment infrastructure across the CEMAC zone (Cameroon, Chad, CAR, Congo, Gabon, Equatorial Guinea). This could unlock Central African cross-border payments. |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                |                                                                                                                                                                                                                                                                                                                                                              |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| WHY IT MATTERS | Cameroon is the economic hub of Central Africa (CEMAC zone) the same way Côte d'Ivoire is for UEMOA. At 28 million people, it's the largest market in Central Africa. The bilingual nature means both French and English versions of a product can be tested in one country. MTN MoMo and Orange Money are deeply embedded. Wave's entry is disrupting fees. |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

● THE VERDICT

The most interesting market in this section. Bilingual (products can work in English in some regions), large population, strong mobile money penetration, and it's the gateway to Central Africa. Operationally more complex than ECOWAS markets, but worth watching seriously.

4.6 · THE FRONTIER

# 4.6 The Gambia



## Micro Market, Macro Ambition

|                                               |                                                          |                                         |
|-----------------------------------------------|----------------------------------------------------------|-----------------------------------------|
| POPULATION<br>2.7 million                     | INTERNET<br>~46%<br><div><div></div></div>               | PAYMENT RAIL<br>QMoney, Afrimoney, Cash |
| LANGUAGE<br>English (+ Mandinka, Wolof, Fula) | CURRENCY<br>Gambian Dalasi (GMD),<br>moderate volatility | EASE OF ENTRY<br>● Hard<br>Micro market |

- WHAT WORKS HERE
- Mobile money (4.5 million registered accounts for a country of 2.7 million).
  - Remittances (enormous diaspora relative to population, primarily UK/US/Europe).
  - Basic fintech services.

- WHAT'S HARD
- **Micro market.** 2.7 million people. Smaller than many cities.
  - **Single submarine cable.** The entire country's internet depends on the ACE cable. Infrastructure is fragile.
  - **Cash dominance.** Despite high mobile money registration, active usage is lower.

WHY IT MATTERS

The Gambia is English-speaking, embedded within Senegal geographically, and has a massive diaspora relative to its size. The government has a National Digital Economy Master Plan (2024-2034). Mobile money registration numbers are surprisingly high. But the market is simply too small for most commercial plays.

THE VERDICT

Skip unless building a remittance product targeting the Gambian diaspora specifically. Too small for general digital products.

● 4.7 · THE FRONTIER

# 4.7 Burkina Faso



UEMOA Interior

|                                      |                                            |                                                |
|--------------------------------------|--------------------------------------------|------------------------------------------------|
| POPULATION<br>23 million             | INTERNET<br>~25%<br><div><div></div></div> | PAYMENT RAIL<br>Orange Money, Moov Money, Cash |
| LANGUAGE<br>French (+ Mooré, Dioula) | CURRENCY<br>CFA Franc (XOF), Euro-pegged   | EASE OF ENTRY<br>● Skip<br>Security risk       |

WHAT WORKS HERE

- Mobile money for basic financial services.
- Agritech (cotton is a major export).
- Solar and energy solutions.

WHAT'S HARD

- **Security.** Ongoing jihadist insurgency in the north and east has displaced millions and disrupts economic activity.
- **Very low internet penetration.** Only ~25%.
- **Political instability.** Military government since 2022.
- **Infrastructure.** Landlocked, limited broadband, unreliable power.

● THE VERDICT

Too much operational risk right now. The security situation makes this a no-go for commercial digital products. Monitor, but don't plan for entry.

● 4.8 · THE FRONTIER

# 4.8 Mali, Niger and Guinea-Bissau



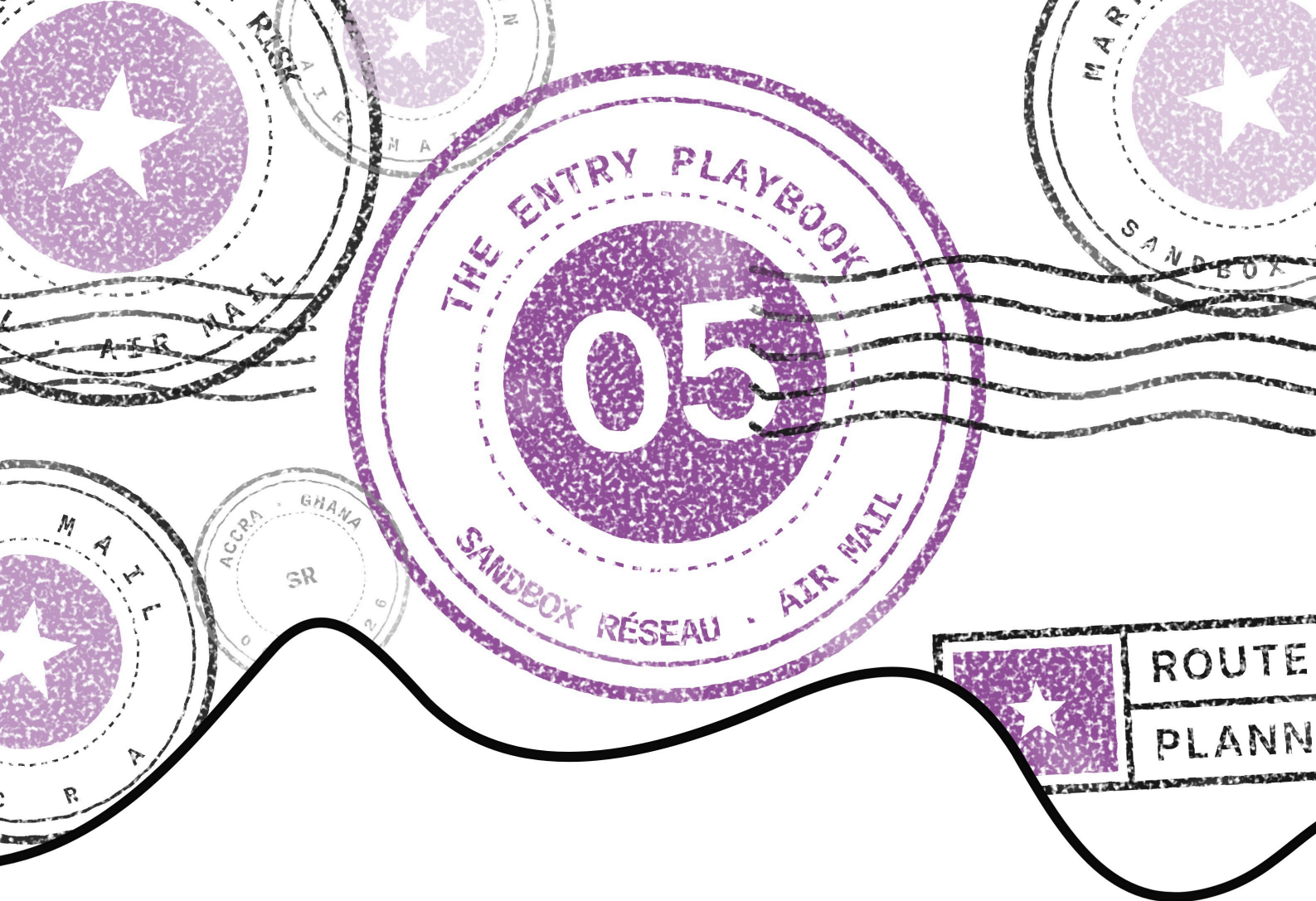
## The Deep Frontier

These three UEMOA members share the CFA Franc but face severe challenges:

| MARKET          | POPULATION | WHY NOT NOW                                                                                                                                         |
|-----------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| ● Mali          | 23M        | Military government, ongoing conflict, French withdrawal. Mobile money exists (Orange Money) but infrastructure is extremely limited. Too unstable. |
| ● Niger         | 27M        | Military government since 2023, one of the poorest countries in the world, ~15% internet penetration. Not viable for digital products currently.    |
| ● Guinea-Bissau | 2M         | Tiny, politically unstable, minimal digital infrastructure. The smallest UEMOA member.                                                              |

● THE VERDICT FOR ALL THREE

Not viable markets for digital product expansion currently. The CFA Franc connection is the only advantage, but the security, infrastructure, and economic realities make entry impractical.



# The Entry Playbook

*In what order, and at what cost?*

The full map, the payment matrix, four proven expansion sequences, what it costs to operate, and the mistakes that keep killing expansions.

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**01** The complete quick view

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**03** Market entry sequencing

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**05** Common market entry mistakes

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**02** The payment matrix

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**04** The cost of doing business

## 5.1 · THE ENTRY PLAYBOOK

## 5.1 The Complete Quick View

| COUNTRY       | POP. | INTERNET | PRIMARY PAYMENT RAIL        | LANGUAGE           | EASE OF ENTRY | MARKET SIGNAL          |
|---------------|------|----------|-----------------------------|--------------------|---------------|------------------------|
| Nigeria       | 230M | ~55%     | Bank transfer, OPay/PalmPay | English            | ● Hard        | Massive, volatile      |
| Kenya         | 56M  | ~80%     | M-Pesa                      | English/Swahili    | ● Medium      | Mature, competitive    |
| South Africa  | 62M  | ~75%     | Cards, banking apps         | English + others   | ● Medium      | Most spending power    |
| Egypt         | 110M | ~72%     | Cash, InstaPay, cards       | Arabic             | ● Hard        | Fast-growing, gov-led  |
| Ghana         | 34M  | ~75%     | MTN MoMo                    | English            | ● Medium      | Growing, underserved   |
| Rwanda        | 14M  | ~50%     | Mobile money, eKash         | Eng/Fr/Kinyarwanda | ● Easy        | Small but clean        |
| Senegal       | 18M  | ~58%     | Orange Money, Wave          | French             | ● Medium      | Francophone gateway    |
| Tanzania      | 67M  | ~45%     | M-Pesa, Tigo Pesa           | Swahili/English    | ● Medium      | High MoMo use          |
| Côte d'Ivoire | 29M  | ~45%     | Orange Money, MTN MoMo      | French             | ● Medium      | UEMOA hub              |
| Cameroon      | 28M  | ~45%     | MTN MoMo, Orange Money      | French/English     | ● Medium      | Central Africa gateway |
| Togo          | 9M   | ~35%     | Flooz, T-Money, Wave        | French             | ● Hard        | UEMOA extension        |
| Benin         | 13M  | ~38%     | MTN MoMo, Moov Money        | French             | ● Hard        | Digital ambition       |
| Liberia       | 5.5M | ~32%     | Orange Money, MTN MoMo      | English            | ● Hard        | Underserved, small     |
| Sierra Leone  | 8.5M | ~30%     | Orange Money, Africell      | English            | ● Hard        | Frontier, impact       |
| The Gambia    | 2.7M | ~46%     | QMoney, Afrimoney           | English            | ● Hard        | Micro market           |
| Uganda        | 49M  | ~40%     | MTN MoMo, Airtel Money      | English/Swahili    | ● Medium      | Builder's market       |
| Ethiopia      | 130M | ~25%     | Cash, telebirr              | Amharic            | ● Hard        | Sleeping giant         |
| Morocco       | 38M  | ~85%     | Cards, bank transfer        | French/Arabic      | ● Medium      | North Africa bridge    |
| Burkina Faso  | 23M  | ~25%     | Orange Money                | French             | ● Skip        | Security risk          |
| Mali          | 23M  | ~30%     | Orange Money                | French             | ● Skip        | Political instability  |
| Niger         | 27M  | ~15%     | Orange Money                | French             | ● Skip        | Too early              |

## 5.2 · THE ENTRY PLAYBOOK

## 5.2 The Payment Matrix

How strong each payment rail is in each market, from one dot to five. Build for the strongest rail first, and integrate through the aggregator named on the right.

| MARKET        | MOBILE MONEY | CARDS | BANK TRANSFER | CASH  | BEST INTEGRATION         |
|---------------|--------------|-------|---------------|-------|--------------------------|
| Ghana         | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | Paystack, Hubtel         |
| Kenya         | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | M-Pesa API, Flutterwave  |
| Nigeria       | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | Paystack, Flutterwave    |
| South Africa  | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | Paystack, Peach Payments |
| Rwanda        | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | Flutterwave              |
| Senegal       | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | Wave API, Orange Money   |
| Tanzania      | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | M-Pesa API               |
| Cameroon      | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | MTN MoMo, Orange Money   |
| Côte d'Ivoire | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | Orange Money, Wave       |
| Togo          | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | Flooz, Wave              |
| Benin         | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | MTN MoMo, Moov Money     |
| Liberia       | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | Orange Money             |
| Sierra Leone  | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | Orange Money             |
| The Gambia    | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | QMoney                   |
| Uganda        | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | MTN MoMo, Flutterwave    |
| Egypt         | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | Fawry, Paymob            |
| Ethiopia      | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | Telebirr (limited)       |
| Morocco       | ●●●●●        | ●●●●● | ●●●●●         | ●●●●● | CMI, HPS                 |

## 5.3 · THE ENTRY PLAYBOOK

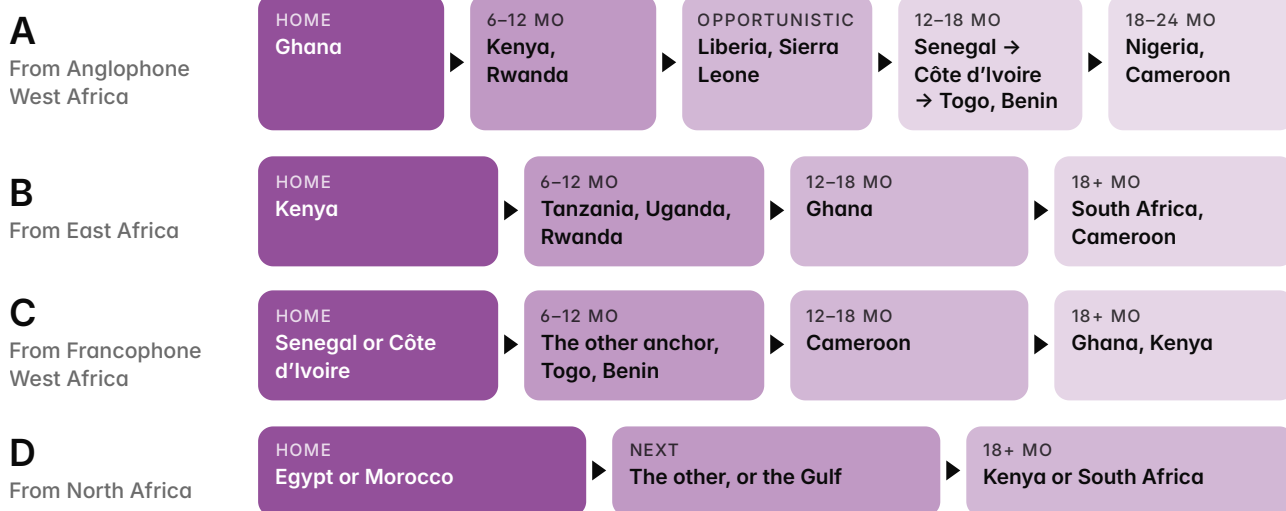
## 5.3 Market Entry Sequencing

The right expansion sequence depends on where a business starts. Below are four proven sequencing strategies based on starting position and language capability.

FIGURE 5.1

### Four expansion paths

Each strategy starts at home, then follows language, currency and payment rail outward. Darker is sooner.



#### Note

Condensed from Strategies A–D below; timings are months after product-market fit at home.

### Strategy A: From Anglophone West Africa (e.g., Ghana)

| PHASE                                                        | MARKETS                               | RATIONALE                                                                         |
|--------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------|
| 1. Home market                                               | Ghana                                 | Validate product, achieve PMF                                                     |
| 2. East African mobile money markets<br>6–12 months post-PMF | Kenya, Rwanda                         | English-speaking, mature mobile money, clean regulatory environments              |
| 3. Anglophone neighbours<br>opportunistic                    | Liberia, Sierra Leone                 | Only if product works with zero localisation; better for impact/inclusion models  |
| 4. Francophone West Africa<br>12–18 months                   | Senegal → Côte d'Ivoire → Togo, Benin | One French localisation unlocks the full UEMOA block (~145M people, one currency) |
| 5. Big bets<br>18–24 months                                  | Nigeria, Cameroon                     | Massive but volatile; enter only with capital, team, and proven model             |

## Strategy B: From East Africa (e.g., Kenya)

| PHASE                                     | MARKETS                                | RATIONALE                                                     |
|-------------------------------------------|----------------------------------------|---------------------------------------------------------------|
| 1. Home market                            | Kenya                                  | Validate on M-Pesa rails                                      |
| 2. East African Community<br>6–12 months  | Tanzania, Uganda,<br>Rwanda            | Shared mobile money culture, Swahili/English, EAC integration |
| 3. Anglophone West Africa<br>12–18 months | Ghana                                  | Strong mobile money, English, growing market                  |
| 4. Southern/Central Africa<br>18+ months  | South Africa (if card-ready), Cameroon | Different payment culture; requires product adaptation        |

## Strategy C: From Francophone West Africa (e.g., Senegal, Côte d'Ivoire)

| PHASE                               | MARKETS                                                      | RATIONALE                                                  |
|-------------------------------------|--------------------------------------------------------------|------------------------------------------------------------|
| 1. Home market                      | Senegal or Côte d'Ivoire                                     | Validate in CFA Franc zone                                 |
| 2. UEMOA expansion<br>6–12 months   | The other anchor (Senegal ↔ Côte d'Ivoire), then Togo, Benin | Same currency, same language, minimal localisation         |
| 3. Central Africa<br>12–18 months   | Cameroon                                                     | French-speaking, CFA Franc (XAF), gateway to CEMAC zone    |
| 4. Anglophone markets<br>18+ months | Ghana, Kenya                                                 | Requires English localisation but opens large new segments |

## Strategy D: From North Africa (e.g., Egypt, Morocco)

| PHASE                               | MARKETS                                           | RATIONALE                                                                     |
|-------------------------------------|---------------------------------------------------|-------------------------------------------------------------------------------|
| 1. Home market                      | Egypt or Morocco                                  | Validate in Arabic/French context                                             |
| 2. MENA adjacency                   | The other North African market, or Gulf expansion | Shared language and cultural context                                          |
| 3. Sub-Saharan Africa<br>18+ months | Kenya or South Africa                             | Most “formalised” Sub-Saharan markets; require significant product adaptation |

## Key Sequencing Principles

- 01 **Prove PMF before expanding.** No market rewards an unvalidated product.
- 02 **Follow the language.** One localisation should unlock multiple markets.
- 03 **Follow the currency.** Shared currency zones (UEMOA, CEMAC) reduce FX complexity.
- 04 **Follow the payment rail.** Mobile-money-first products expand best to other mobile-money markets. Card-first products expand best to South Africa and Morocco.
- 05 **Skip unstable markets.** Burkina Faso, Mali, Niger, and Guinea-Bissau are not viable for commercial digital products today. Monitor, don't plan.

## ● 5.4 · THE ENTRY PLAYBOOK

## 5.4 The Cost of Doing Business

Understanding operational costs across markets is essential for budgeting and financial planning. Below is a comparative snapshot of key cost factors across Africa's primary markets.

### Incorporation & setup costs

| MARKET       | REGISTRATION                              | TIMELINE           | CORP. TAX | NOTES                                              |
|--------------|-------------------------------------------|--------------------|-----------|----------------------------------------------------|
| Ghana        | ~\$50–70 (sole prop) /<br>~\$70–100 (LLC) | 5–10 business days | 25%       | ORC process; increasingly digital                  |
| Nigeria      | ~\$100–150 (LLC)                          | 7–14 business days | 30%       | CAC registration; can be done online               |
| Kenya        | ~\$50–100 (LLC)                           | 3–7 business days  | 30%       | eCitizen portal; relatively fast                   |
| South Africa | ~\$15–30 (Pty Ltd)                        | 1–3 business days  | 27%       | CIPC online registration; fastest in Africa        |
| Rwanda       | ~\$40–60 (LLC)                            | 1–2 business days  | 30%       | RDB online portal; Africa's easiest incorporation  |
| Senegal      | ~\$80–150 (SARL)                          | 5–10 business days | 30%       | APIX one-stop shop; Startup Act benefits available |
| Egypt        | ~\$200–400 (LLC)                          | 7–14 business days | 22.5%     | GAFI registration; Arabic paperwork required       |
| Tanzania     | ~\$100–200 (LLC)                          | 7–14 business days | 30%       | BRELA registration                                 |
| Uganda       | ~\$50–100 (LLC)                           | 5–10 business days | 30%       | URSB online system                                 |
| Cameroon     | ~\$100–200 (SARL)                         | 7–15 business days | 33%       | CFCE one-stop shop                                 |

Operational cost benchmarks

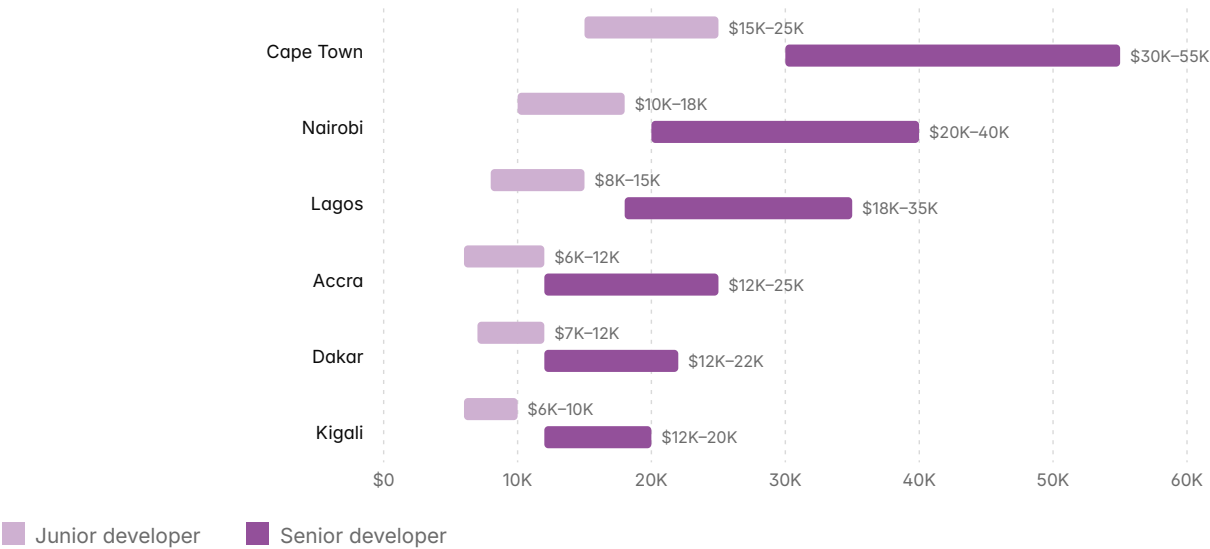
| COST FACTOR                          | LAGOS       | NAIROBI     | ACCRA       | CAPE TOWN   | KIGALI    | DAKAR       |
|--------------------------------------|-------------|-------------|-------------|-------------|-----------|-------------|
| Junior developer (annual)            | \$8K–15K    | \$10K–18K   | \$6K–12K    | \$15K–25K   | \$6K–10K  | \$7K–12K    |
| Senior developer (annual)            | \$18K–35K   | \$20K–40K   | \$12K–25K   | \$30K–55K   | \$12K–20K | \$12K–22K   |
| Co-working desk (monthly)            | \$100–250   | \$150–300   | \$80–200    | \$150–350   | \$80–150  | \$100–200   |
| Dedicated office, 5-person (monthly) | \$500–1,500 | \$600–1,500 | \$400–1,000 | \$800–2,000 | \$400–800 | \$500–1,200 |
| Business internet, 50Mbps (monthly)  | \$100–300   | \$50–150    | \$80–200    | \$50–100    | \$60–120  | \$80–200    |
| Mobile data, 10GB (monthly)          | \$5–10      | \$5–10      | \$5–8       | \$8–15      | \$5–10    | \$8–15      |

Note: All figures are approximate and vary by location, provider, and negotiation. USD equivalents fluctuate with local currency movements.

FIGURE 5.2

What a developer costs, city by city

Annual salary ranges in US dollars. Cape Town is the most expensive city to hire in; Accra, Kigali and Dakar the least.



**Note**  
Operational cost benchmarks below. Approximate; USD equivalents move with local currencies.

## Key takeaways

- **South Africa and Rwanda** are the cheapest and fastest to incorporate, but for different reasons — South Africa has mature digital systems, Rwanda has deliberate government policy.
- **Talent costs** in Cape Town and Nairobi are 2–3x higher than Accra, Kigali, or Dakar. Remote hiring from lower-cost markets is a common strategy.
- **Internet costs** remain high across most of Africa relative to quality. Budget for redundancy (multiple ISPs or mobile backup).
- **Corporate tax rates** cluster around 25–30% across the continent, with few meaningful differences. The real tax burden comes from VAT, withholding taxes, and compliance costs.

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### ● 5.5 · THE ENTRY PLAYBOOK

## 5.5 Common Market Entry Mistakes

These are the patterns that consistently kill or cripple startups expanding across African markets. Every one of these has been learned the hard way.

### 01 Entering Nigeria First

Nigeria's 230 million people are seductive. But the Naira volatility, regulatory unpredictability, and competitive intensity make it a graveyard for undercapitalised startups.

#### PATTERN

Founder raises a seed round, launches in Lagos, burns through runway fighting FX losses and competition, never achieves PMF.

#### BETTER MOVE

Prove the model in a smaller, more stable market (Ghana, Kenya, Rwanda) first. Enter Nigeria only with Series A+ capital and a dedicated local team.

### 02 Pricing in USD in a Local-Currency Market

If customers earn in Naira, Cedi, or Shillings, they must pay in Naira, Cedi, or Shillings. USD pricing signals “this product isn’t for me” and creates friction at every transaction.

#### PATTERN

SaaS founder prices at \$10/month, which becomes unaffordable after local currency devaluation.

#### BETTER MOVE

Price in local currency. Build FX risk into the business model from day one. Consider tiered pricing by market.

## 03 Building App-Only in a USSD-Dominant Market

In Tanzania, Uganda, and rural regions across the continent, the majority of digital financial interactions happen via USSD (text-based menus on feature phones), not smartphone apps.

### PATTERN

Founder builds a beautiful iOS/Android app, launches in Dar es Salaam, discovers that 60% of the target market can't use it.

### BETTER MOVE

Design for the lowest common denominator first. USSD-first or WhatsApp-first, with an app as an upgrade path.

## 04 Ignoring Offline Distribution

Africa's most successful fintech companies (M-Pesa, OPay, PalmPay, Wave) all built massive agent networks — physical humans in physical locations who onboard customers, handle cash-in/cash-out, and provide trust.

### PATTERN

Founder assumes digital marketing and app store downloads will drive adoption. Growth stalls at early adopters.

### BETTER MOVE

Budget for on-the-ground distribution from the start. Agent networks, market activations, partnerships with existing physical networks (telco shops, pharmacies, fuel stations).

## 05 Underestimating Localisation Depth

Localisation is not translation. It's adapting the entire product experience — UI flows, payment methods, customer support channels, marketing tone, legal terms, even colour choices and imagery.

### PATTERN

Founder translates app strings to French, launches in Senegal, discovers that customer support must be in Wolof, legal documents must follow OHADA law, and the onboarding flow doesn't match local expectations.

### BETTER MOVE

Hire local product and ops people before entering a new linguistic market. Budget 3–6 months for genuine localisation, not just translation.

## 06 Treating “Africa” as One Market

The differences between Nigeria and Kenya are as vast as the differences between Brazil and Japan. Payment rails, languages, regulatory regimes, consumer behaviour, and competitive landscapes vary dramatically.

### PATTERN

Founder builds a “pan-African” product that works nowhere because it’s optimised for everywhere.

### BETTER MOVE

Go deep in one market. Achieve PMF. Then expand methodically to the next market with deliberate adaptation.

## 07 Ignoring FX Risk Until It’s Too Late

Currency devaluation has destroyed more African startup economics than competition has. The Naira, Cedi, Leone, and Birr have all experienced significant devaluations in recent years.

### PATTERN

Founder prices locally, pays cloud costs and salaries in USD, celebrates growth in local currency terms, then realises margins are negative after FX conversion.

### BETTER MOVE

Model FX scenarios into unit economics from day one. Consider revenue diversification across stable-currency markets (CFA Franc zone, Kenya). Hold reserves in stable currencies where legally permissible.

## 08 Copying Western Business Models Without Adaptation

What works in San Francisco rarely works unmodified in Lagos or Nairobi. Consumer trust models, willingness to pay, data costs, device capabilities, and infrastructure constraints are fundamentally different.

### PATTERN

Founder clones a US SaaS product, prices it at US price points, assumes the same go-to-market playbook applies.

### BETTER MOVE

Study local alternatives (including informal/offline ones). Understand why current solutions exist the way they do. Build for local constraints, not Western ideals.



# Money, Momentum & Behaviour

*Where is the money, and how do users decide?*

Diaspora flows, the markets accelerating fastest, where venture capital goes, and how African consumers discover, trust and keep using digital products.

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01 Diaspora & remittance corridors

02 Growth trajectories

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03 The investor landscape

04 Consumer behaviour & digital adoption

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## ● 6.1 · MONEY &amp; MOMENTUM

## 6.1 Diaspora & Remittance Corridors

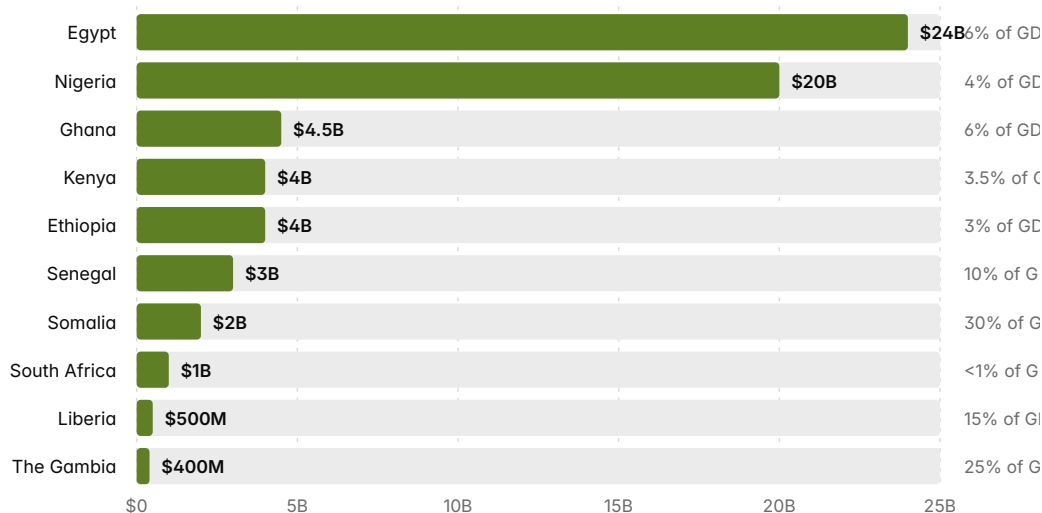
Africa receives over \$100 billion annually in diaspora remittances — more than foreign direct investment and official development aid combined. Understanding these flows is critical for fintech, commerce, and services targeting diaspora communities.

| COUNTRY      | PRIMARY DIASPORA LOCATIONS           | DIASPORA SIZE | INFLOW / YEAR  | % OF GDP |
|--------------|--------------------------------------|---------------|----------------|----------|
| Nigeria      | US, UK, Canada, UAE                  | 15–17 million | ~\$20 billion  | ~4%      |
| Egypt        | Saudi Arabia, UAE, Kuwait, US        | 10–12 million | ~\$24 billion  | ~6%      |
| Ghana        | US, UK, Germany, Netherlands, Canada | 3–4 million   | ~\$4.5 billion | ~6%      |
| Kenya        | US, UK, UAE, Australia               | 3–4 million   | ~\$4 billion   | ~3.5%    |
| Senegal      | France, Italy, Spain, US             | 3–4 million   | ~\$3 billion   | ~10%     |
| South Africa | UK, Australia, US, UAE               | 1–2 million   | ~\$1 billion   | <1%      |
| Ethiopia     | US, Saudi Arabia, UAE, Israel        | 2–3 million   | ~\$4 billion   | ~3%      |
| The Gambia   | UK, US, Spain, Scandinavia           | 400K–600K     | ~\$400 million | ~25%     |
| Somalia      | US, UK, UAE, Scandinavia             | 2–3 million   | ~\$2 billion   | ~30%     |
| Liberia      | US (Minnesota, New Jersey, Maryland) | 500K–800K     | ~\$500 million | ~15%     |

FIGURE 6.1

## Where diaspora money lands

Annual remittance inflow, with remittances as a share of GDP on the right. Small economies lean on it hardest.



### Note

Estimates from the diaspora table above.

## Key remittance corridors

### High-volume corridors

Highest absolute flows

Saudi Arabia / UAE → Egypt (\$12B+)

US / UK → Nigeria (\$8B+)

France → Senegal / Mali / Côte d'Ivoire (\$3B+)

US / UK → Ghana (\$2.5B+)

US / UK / UAE → Kenya (\$2.5B+)

### High-impact corridors

Highest relative to GDP

Anywhere → The Gambia (25% of GDP)

Anywhere → Somalia (30% of GDP)

Anywhere → Liberia (15% of GDP)

France → Senegal (10% of GDP)

## Product opportunities in remittance corridors

- 01 Cross-border payments & transfers** — Still dominated by Western Union, MoneyGram, and WorldRemit. Significant fee compression opportunity remains, especially on Africa-to-Africa corridors.
- 02 Diaspora investment platforms** — Enabling diaspora to invest in real estate, businesses, or securities in their home country.
- 03 Bill payment for family** — Paying school fees, utility bills, health insurance, or subscriptions for family members back home.
- 04 Commerce enablement** — Allowing diaspora to order goods (groceries, construction materials, gifts) for delivery to family in-country.

**05 Diaspora banking** — Multi-currency accounts that serve the needs of people who live abroad but maintain financial obligations at home.

### What founders should know

- **Corridor costs vary wildly.** Sending money from the US to Kenya costs ~3–5%, while sending from Tanzania to Ghana can cost 10–15%. Intra-African remittances are significantly more expensive than global-to-Africa flows.
- **Mobile money has disrupted receiving, not sending.** M-Pesa, MTN MoMo, and Wave have made receiving remittances seamless. The bottleneck is still on the sending side, especially for intra-African corridors.
- **Trust is paramount.** Diaspora communities are burned by scams and failed services. Referral-based growth through community leaders (churches, mosques, hometown associations) outperforms digital marketing.
- **Regulatory complexity.** Cross-border money movement triggers AML/KYC requirements in both the sending and receiving country. Licensing in corridors like US→Nigeria requires compliance with FinCEN, CBN, and potentially state-level money transmitter licenses.

6.2 · MONEY & MOMENTUM

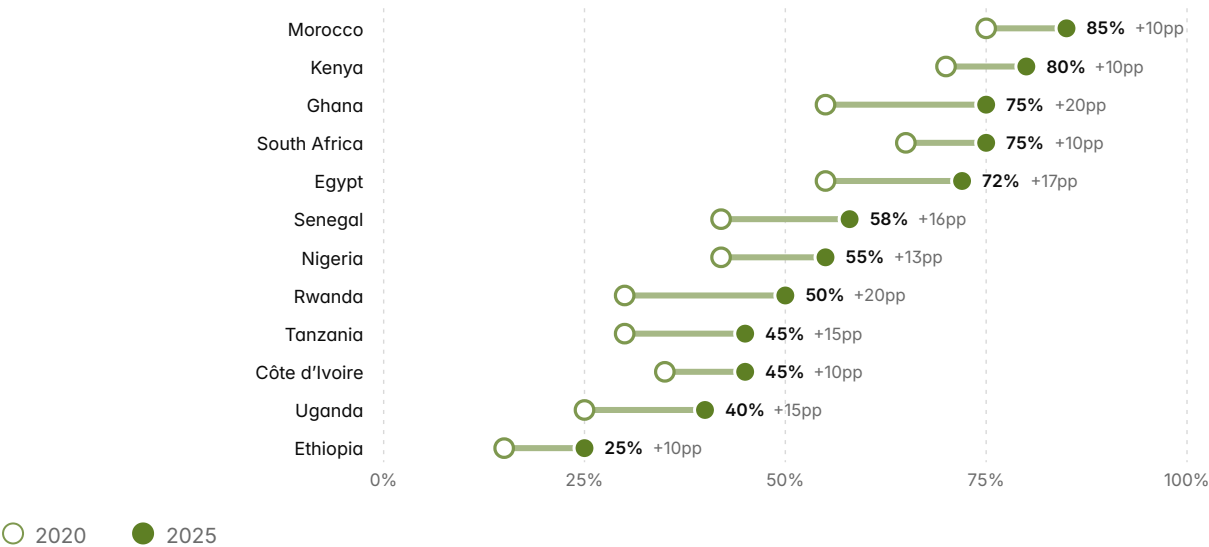
## 6.2 Growth Trajectories: Markets in Motion

Static snapshots miss the most important signal: momentum. The markets accelerating fastest today are tomorrow's dominant ecosystems.

FIGURE 6.2

### Internet penetration, 2020 → 2025

Each line runs from the 2020 level (open dot) to 2025 (solid dot). Ghana and Rwanda added the most percentage points.



**Note**

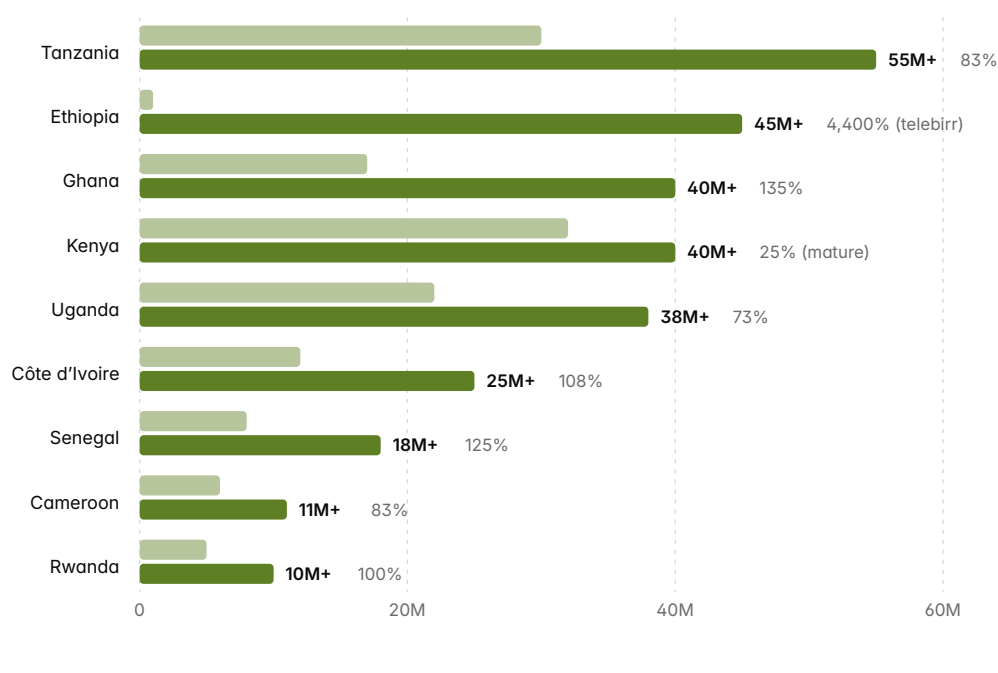
Internet penetration growth table below.

| MARKET        | 2020 | 2025 | 5-YEAR GROWTH | TRAJECTORY                                      |
|---------------|------|------|---------------|-------------------------------------------------|
| Ethiopia      | ~15% | ~25% | +10pp         | Accelerating (Safaricom entry, telebirr launch) |
| Tanzania      | ~30% | ~45% | +15pp         | Strong growth, mobile-money-led                 |
| Uganda        | ~25% | ~40% | +15pp         | Steady growth despite OTT tax setback           |
| Côte d'Ivoire | ~35% | ~45% | +10pp         | Steady, mobile-first                            |
| Ghana         | ~55% | ~75% | +20pp         | Fastest growth in West Africa                   |
| Nigeria       | ~42% | ~55% | +13pp         | Steady but hampered by infrastructure           |
| Kenya         | ~70% | ~80% | +10pp         | Maturing, approaching ceiling                   |
| South Africa  | ~65% | ~75% | +10pp         | Maturing                                        |
| Morocco       | ~75% | ~85% | +10pp         | Highest baseline, approaching saturation        |
| Rwanda        | ~30% | ~50% | +20pp         | Government-driven acceleration                  |
| Senegal       | ~42% | ~58% | +16pp         | Wave-driven mobile money adoption               |
| Egypt         | ~55% | ~72% | +17pp         | InstaPay + youth-driven digital adoption        |

FIGURE 6.3

### Registered mobile money accounts

2020 against 2025. Ethiopia went from about 1 million to 45 million+ on the back of telebirr.



#### Note

Mobile money account growth table below.

| MARKET        | REGISTERED ACCOUNTS 2020 | 2025  | GROWTH             |
|---------------|--------------------------|-------|--------------------|
| Ghana         | ~17M                     | ~40M+ | ~135%              |
| Tanzania      | ~30M                     | ~55M+ | ~83%               |
| Kenya         | ~32M                     | ~40M+ | ~25% (mature)      |
| Uganda        | ~22M                     | ~38M+ | ~73%               |
| Senegal       | ~8M                      | ~18M+ | ~125%              |
| Côte d'Ivoire | ~12M                     | ~25M+ | ~108%              |
| Cameroon      | ~6M                      | ~11M+ | ~83%               |
| Rwanda        | ~5M                      | ~10M+ | ~100%              |
| Ethiopia      | ~1M                      | ~45M+ | ~4,400% (telebirr) |

### What these trends signal

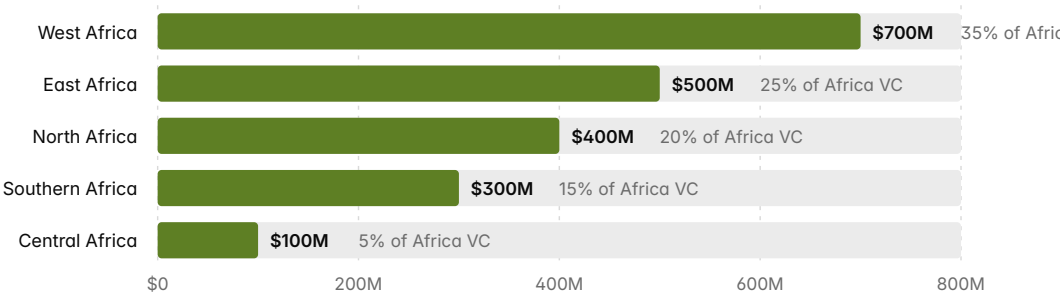
- 01 Ethiopia is the outlier story.** Telebirr went from zero to 45M+ accounts in 3 years — the fastest mobile money adoption in history. The infrastructure is catching up to the demand, not the other way around.
- 02 Ghana and Rwanda** are growing fastest in percentage points for internet penetration. Government investment in digital infrastructure is paying off.
- 03 Kenya is maturing.** Growth is slowing because penetration is already high. The opportunity shifts from acquiring new users to deepening engagement.
- 04 Francophone West Africa is accelerating.** Wave's disruption in Senegal and Côte d'Ivoire is driving mobile money adoption at rates that rival East Africa a decade ago.
- 05 Nigeria's growth is infrastructure-constrained.** Despite its massive population, inconsistent power and internet quality are limiting digital adoption outside Lagos and Abuja.

● 6.3 · MONEY & MOMENTUM

## 6.3 The Investor Landscape

Where venture capital flows determines where the ecosystem develops. Understanding the investor landscape helps founders know where they can raise and where they need to bootstrap.

FIGURE 6.4 | **Where the venture money went**  
Estimated 2024 venture funding by region



**Note**  
Venture capital distribution table below (estimates).

| REGION          | SHARE OF AFRICA VC | TOP MARKETS                        | TOTAL FUNDING (2024 EST.) |
|-----------------|--------------------|------------------------------------|---------------------------|
| West Africa     | ~35%               | Nigeria (dominant), Ghana, Senegal | ~\$700M                   |
| East Africa     | ~25%               | Kenya (dominant), Tanzania, Uganda | ~\$500M                   |
| North Africa    | ~20%               | Egypt (dominant), Morocco, Tunisia | ~\$400M                   |
| Southern Africa | ~15%               | South Africa (dominant)            | ~\$300M                   |
| Central Africa  | ~5%                | Cameroon, DRC (emerging)           | ~\$100M                   |

## Investor types by market

Depth of each investor type in each market, one dot to five.

| MARKET       | LOCAL ANGELS | LOCAL VCS | PAN-AFRICAN VCS | GLOBAL VCS | DFIS      |
|--------------|--------------|-----------|-----------------|------------|-----------|
| Nigeria      | ● ● ● ● ●    | ● ● ● ● ● | ● ● ● ● ●       | ● ● ● ● ●  | ● ● ● ● ● |
| Kenya        | ● ● ● ● ●    | ● ● ● ● ● | ● ● ● ● ●       | ● ● ● ● ●  | ● ● ● ● ● |
| South Africa | ● ● ● ● ●    | ● ● ● ● ● | ● ● ● ● ●       | ● ● ● ● ●  | ● ● ● ● ● |
| Egypt        | ● ● ● ● ●    | ● ● ● ● ● | ● ● ● ● ●       | ● ● ● ● ●  | ● ● ● ● ● |
| Ghana        | ● ● ● ● ●    | ● ● ● ● ● | ● ● ● ● ●       | ● ● ● ● ●  | ● ● ● ● ● |
| Senegal      | ● ● ● ● ●    | ● ● ● ● ● | ● ● ● ● ●       | ● ● ● ● ●  | ● ● ● ● ● |
| Rwanda       | ● ● ● ● ●    | ● ● ● ● ● | ● ● ● ● ●       | ● ● ● ● ●  | ● ● ● ● ● |
| Tanzania     | ● ● ● ● ●    | ● ● ● ● ● | ● ● ● ● ●       | ● ● ● ● ●  | ● ● ● ● ● |
| Cameroon     | ● ● ● ● ●    | ● ● ● ● ● | ● ● ● ● ●       | ● ● ● ● ●  | ● ● ● ● ● |

## Key investors active in Africa

|                                                            |                                                                                                                                                            |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Pan-African VCs (investing across multiple markets)</b> | Partech Africa, TLcom Capital, Novastar Ventures, Catalyst Fund, Launch Africa Ventures, Ventures Platform, Future Africa, 54 Collective                   |
| <b>Global VCs with African portfolios</b>                  | Y Combinator, Sequoia (via scouts), Tiger Global, a16z (selective), SoftBank (selective), Founders Factory Africa                                          |
| <b>DFIs &amp; Impact Investors</b>                         | IFC (World Bank Group), AfDB (African Development Bank), FMO, CDC Group (BII), Proparco, USAID-backed funds, Shell Foundation                              |
| <b>Local/Regional Angel Networks</b>                       | Lagos Angel Network (Nigeria), Viktoria Ventures (Kenya), ABAN (African Business Angel Network), Ghana Angel Investor Network (GAIN), Cairo Angels (Egypt) |

## Typical check sizes by stage

| STAGE     | NIGERIA / KENYA | GHANA / SENEGAL / RWANDA                  | FRONTIER MARKETS                   |
|-----------|-----------------|-------------------------------------------|------------------------------------|
| Pre-seed  | \$50K–250K      | \$25K–150K                                | \$10K–50K                          |
| Seed      | \$250K–2M       | \$100K–750K                               | \$25K–250K                         |
| Series A  | \$2M–10M        | \$750K–5M                                 | Rare; often skip to regional raise |
| Series B+ | \$10M–50M+      | Typically raised from regional/global VCs | N/A locally                        |

### What founders should know

- 01 Raising locally is possible in Nigeria, Kenya, South Africa, and Egypt.** These markets have mature enough ecosystems to support seed and Series A rounds from local investors.
  - 02 In smaller markets, raise regionally or globally.** Ghanaian, Senegalese, and Rwandan founders typically raise from pan-African VCs or global investors, not local funds.
  - 03 DFIs are crucial in frontier markets.** In Tanzania, Uganda, Rwanda, and Francophone West Africa, development finance institutions (IFC, AfDB, Proparco) are often the largest investors. Their mandate favours financial inclusion, climate, health, and agriculture.
  - 04 Y Combinator has become Africa's de facto accelerator.** More African startups are going through YC than any Africa-based accelerator program. The signal value alone opens doors.
  - 05 Valuation expectations vary.** A \$1M seed round at \$5M pre-money is standard in Lagos; the same company in Accra might raise \$500K at \$2.5M pre-money. Founders should benchmark against their actual market, not Silicon Valley.
- 

#### ● 6.4 · MONEY & MOMENTUM

## 6.4 Consumer Behaviour & Digital Adoption

How African consumers discover, evaluate, and adopt digital products is fundamentally different from Western markets. Founders who understand these patterns build products that grow; those who don't build products that stall.

## Discovery: how users find products

| CHANNEL           | DOMINANCE | NOTES                                                                                                                       |
|-------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------|
| Word of mouth     | ● ● ● ● ● | The #1 discovery channel across all African markets. Trust flows through personal relationships, not ads.                   |
| WhatsApp          | ● ● ● ● ● | Product links, screenshots, voice notes, and group recommendations drive massive organic distribution.                      |
| Facebook          | ● ● ● ● ● | Still the dominant social platform for users 25+. Facebook Groups are community hubs.                                       |
| TikTok            | ● ● ● ● ● | Fastest-growing platform for users under 30. Short-form video drives awareness, especially in Nigeria, Kenya, South Africa. |
| Instagram         | ● ● ● ● ● | Strong in South Africa, Nigeria (Lagos), Kenya (Nairobi). Weaker in Francophone and frontier markets.                       |
| X (Twitter)       | ● ● ● ● ● | Strong in Nigeria and Kenya's tech communities. Niche but influential for B2B and opinion-forming.                          |
| Radio             | ● ● ● ● ● | Still reaches more Africans than any digital platform. Critical for mass-market products in rural areas.                    |
| Agent/field teams | ● ● ● ● ● | In-person demonstrations at markets, transport hubs, and community centres. How M-Pesa, OPay, and Wave scaled.              |
| App stores        | ● ● ● ● ● | Organic app store discovery is low. Most installs come from direct links shared via WhatsApp or social media.               |

## Trust: what makes users convert

African consumers — especially those new to digital products — operate with high caution. Trust must be earned, not assumed.

**TRUST ACCELERATORS**

- **Recommendation from someone they know.** A friend or family member's endorsement is worth more than any ad campaign.
- **Seeing someone use it in person.** Agent-based onboarding works because users watch someone demonstrate the product before committing.
- **Instant value delivery.** If the first interaction delivers tangible value (money saved, payment sent, information received), trust builds fast.
- **Local phone number for support.** If something goes wrong, users want to call someone. WhatsApp support > email support > chatbot.
- **Recognisable brand partnerships.** Integration with MTN, Safaricom, or a known bank provides trust by association.

**TRUST DESTROYERS**

- Requiring bank details or ID before showing value
- English-only interfaces in non-English-primary markets
- Failed transactions without clear error messages or recourse
- No visible physical presence (office, agents, events)
- Pricing that feels opaque or hidden

**Payment behaviour: how users pay**

| PATTERN                    | WHERE IT DOMINATES                           | IMPLICATION                                                                                                                 |
|----------------------------|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| "Pay as you go"            | Most markets                                 | Users prefer small, frequent transactions over subscriptions. Bundle pricing works better than monthly SaaS.                |
| Mobile money micropayments | Ghana, Kenya, Tanzania, Uganda, Senegal      | Users comfortable with transactions as low as \$0.10. Price in small daily/weekly amounts.                                  |
| Cash-first, then digital   | Nigeria, Egypt, Ethiopia                     | Users must be migrated from cash. Offer cash-in options (agents, bank deposit) as onramps.                                  |
| Shared device usage        | Frontier markets, rural areas                | Multiple people use one phone. Account systems must accommodate shared devices.                                             |
| Data cost sensitivity      | All markets                                  | Users actively manage data consumption. Lite versions, offline modes, and low-data designs significantly improve retention. |
| USSD preference            | Tanzania, Uganda, rural areas continent-wide | Financial products must offer USSD access alongside (or instead of) app-based interfaces.                                   |

## Retention: what keeps users coming back

- **Daily utility > weekly feature.** Products that solve a daily problem (payments, communication, transport) retain better than occasional-use products.
- **WhatsApp integration.** Notifications, receipts, and support through WhatsApp dramatically improve engagement. Email open rates in Africa are significantly lower than global averages.
- **Social/community features.** Group savings (chamas in Kenya, susu in Ghana), shared wallets, and referral rewards leverage existing social structures.
- **Offline capability.** Any gap in connectivity means a gap in usage. Products that cache data, queue transactions, and work in low-bandwidth environments retain users that competitors lose.
- **Gamification and milestones.** Especially effective with younger users. Progress tracking, streaks, and achievements drive engagement in fintech, edtech, and health apps.

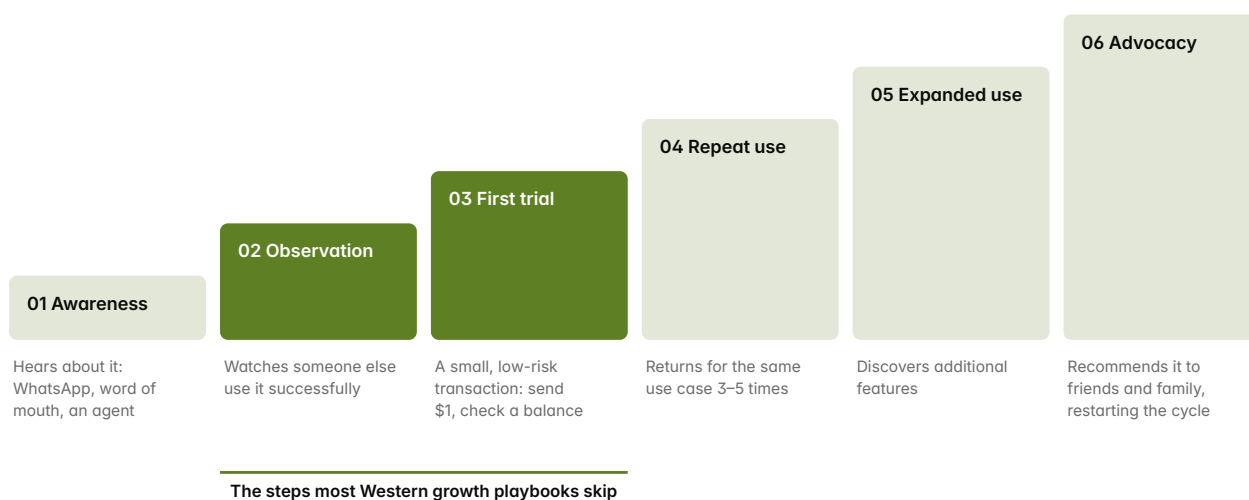
## Key insight: the trust ladder

Successful digital products in Africa follow a consistent adoption pattern:

FIGURE 6.5

### The trust ladder

How users in African markets adopt a digital product, one rung at a time



#### Note

Steps 2 and 3, observation and a low-risk first trial, are the most critical in African markets.

Most Western growth playbooks skip steps 2 and 3. In African markets, these are the most critical steps. Products that provide low-risk first interactions and visible social proof convert at dramatically higher rates than those that don't.

# Score your next market

Run two candidate markets through the ten dimensions of the Pre-Market Entry Framework. Score each from 1 (a serious obstacle) to 5 (a clear advantage), and note the deciding fact.

| #  | DIMENSION (PART 1)                 | MARKET A | MARKET B | NOTES |
|----|------------------------------------|----------|----------|-------|
|    | Market name                        |          |          |       |
| 01 | Market size & addressable demand   |          |          |       |
| 02 | Payment infrastructure fit         |          |          |       |
| 03 | Language & localisation cost       |          |          |       |
| 04 | Regulatory & licensing landscape   |          |          |       |
| 05 | Currency & FX risk                 |          |          |       |
| 06 | Competitive density                |          |          |       |
| 07 | Infrastructure reality             |          |          |       |
| 08 | Talent availability                |          |          |       |
| 09 | Go-to-market channels              |          |          |       |
| 10 | Regional connectivity & scale path |          |          |       |
|    | Total (out of 50)                  |          |          |       |

A low score on payment fit, language or currency is rarely fixed after launch. Treat any 1 there as a reason to pick a different first market, not a problem to solve later.

The boxes are fillable in a PDF reader.

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Bank of Ghana, CBN, Central Bank of Kenya, Bank of Sierra Leone, Central Bank of The Gambia

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## TechCabal, Disrupt Africa, Africa: The Big Deal

Ecosystem news and funding data

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## BEAC (Central African Banking Commission)

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## Government digital strategies

Liberia 2025–2029, Gambia 2024–2034, Benin SMART GOUV, Togo PANT

Figures are rounded estimates drawn from these sources and change quickly. Check the latest numbers before you commit capital to a market.

# Final word

## **Africa is not one market, and the founders who win here stop pretending it is.**

There's a pattern we keep seeing. A founder proves something in one city, raises money on a "pan-African" pitch, and launches in four countries at once. A year later there are four half-finished products, four regulators, four currencies eating the margins, and not one market where the company is actually winning.

The founders who make it do the opposite. They go deep in one market until the product works. They pick the next market because it shares a language, a currency or a payment rail with the first, not because it is big. They price in the currency their customers earn. They build for USSD and WhatsApp before the app store. And they earn trust one rung at a time.

Use the framework. Score your markets honestly. Then go and see for yourself: no table in this guide replaces a week on the ground, talking to the people you want to serve.

**That's the kind of builder Sandbox Réseau exists to support: the ones who choose their market deliberately, and then earn it.**

## *Pick deliberately. Then earn it.*



**Maxwell Cofie**

Founder, Sandbox Réseau · Accra's Builder Community · [maxwellcofie.com](http://maxwellcofie.com) · The Reverb Podcast



# Go deep in one market. Then expand methodically.

The African Market Dynamics · October 2026 · Accra, Ghana

Sandbox Réseau: high-signal, no fluff. Accra's builder community.

[maxwellcofie.com](http://maxwellcofie.com)