eCommerce for Development?
Experiences from Nigeria & SSA

A Presentation at the “eCommerce for Development” Seminar organized by Friends of eCommerce for Development

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Started off Studying; Ended up TRYING to do it!
A tested and proven platform, on which Nigerian students have answered over **110 MILLION** learning questions, summaries & explanations, across all years, subjects, and topics of the senior secondary curriculum.

**FIRST IN AFRICA**
Africa’s first mobile personal advancement platform, whose algorithms use mastery, gamification and social learning theory to drive individual learning achievement in a convenient and fun way.

**ANYWHERE & ANY NETWORK**
A platform that works with any mobile device anywhere in the world where there is a data signal.
get NIGERIA to A

gidimo
Using AI algorithms, you can help a child with no school, no teacher, no money to master their entire curriculum for $18 per year
“Did he just include an advert??"
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What has eCommerce meant? (1)

• In Nigeria & much of SSA, eCommerce has meant:
  a. Lower barriers to opportunity
     o In many high-poverty countries like those in SSA, probably NOTHING more highly-prized than opportunity
     o We have seen several parlour- (not garage 😊) conceived startups: Gloo, gidimo, OneFi, TechCabal
  o Which has required huge problem-solving innovations
     o E.g. Pay on delivery | Mobile money | Airtime money | Trend to marketplaces | Whatsapp commerce
     o In Nigeria in particular, very advanced, tech-driven banking of NECESSITY: much more & much earlier than US & much of EU. DB

b. Efficiency & development. Diversification & growth
What has eCommerce meant? (2)

• In Nigeria & much of SSA, eCommerce has meant:
  c. (Perhaps above all): It has meant YOUTH
    o SSA is VERY young, and some like Nigeria are young AND large
      o E.g. Nigeria’s population below age of 20 larger than ENTIRE populations of (Germany + Austria + Switzerland).
    o Youth percentage has HUGE impact on national attitudes
      o Opinion: West’s baby-boomers in their 20’s and now 40 years later
    o For a subset of them, eCommerce has meant (in addition to opportunity)
      o Employment and self-employment
      o A strong connection to their culture & aspirations for a globally connected future
      o Wave of diaspora returnees also caused validation & reinforced aspiration
What has eCommerce meant? (3)

• **Sharply increased** public/private sector collaboration
  – Its strong significance for young, connected, mobile-first populations has brought government & private sector together, in a formerly-rare alignment
    • CUSTOMER = ELECTOR → KINGS & QUEENS
  – This was also helped by a handful of transformational leaders in the past decade who drove key reforms in the areas of financial services, fiscal stability, and mobile connectivity
    • In Nigeria some $20bn in tech-related FDI since 2001 was helpful too!
It has been great but HARD (1)

- **However there have been challenges**
  - Within country **infrastructure**
    - Payment, logistics & fulfilment, legal
      - These were all pre-existing and although they did not eliminate opportunity, they have constrained speed of uptake and therefore of poverty-reduction
  - Connectivity
    - Is this almost becoming a human right given its power?? Cost & tariffs on equipment should make sense
- **Cross-border frictions**
  - Cross-border micro-payment processes are still too complex and too long
    - E.g. Leading to innovation too: Flutterwave
  - Legal/government structures outdated/tricky: **some laws haven’t kept up**
    - E.g. The customs implication of Jumia & Konga’s shift to marketplace
  - One half of the opportunity is not yet practically available to most African players
    - E.g. Uni-directional Paypal in 1 or 2 countries. (Zero direction in most)
It has been great but HARD (2)

- **CAPITAL**
  - These countries are very capital constrained, and a lot of these businesses have dollar-denominated costs
  - Much capital attracted (by local standards) but still scarce, even though capital requirements are very small by western standards

- **Learning**
  - We’ve been learning how to use parachutes after jumping out of the plane!
  - Two key market templates we are all looking at right now: China for marketplaces & US for traditional online stores

- **Human capital**
  - Greatest opportunity, yet greatest limiting factor by far, in my opinion
  - Huge global shortfall HC. Zuck came, saw, & invested $20m in: …
How can we make things better?

• Near-death experience in Camp Nou: Más, más, más
• So what do we need?

1. Mas mas mas OPPORTUNITY
   o We need help in reducing local frictions. Help people to help themselves
   o We need help in reducing cross-border frictions, opening up the ENTIRE opportunity to the poor

2. BUT Caveat viator: You need to carefully manage interests and incentives of two key players in Africa
   • First of all: telcos
     – Killer app is mobile
     – Telcos are the largest spenders (multi-bn$$) and core channel stakeholders. Though they are private (& I don’t work for them) any projects that don’t take into account (fair) return on private capital wont work one way or another
     – Some govts make this mistake which doesn’t help their people
How can we make things better?

- Secondly: governments
  - Governments in Africa very soon have to come to terms with the transparency that eCommerce’s enabling & associated technologies impose ipso facto
    - That’s one reason reformers in government have driven tech
      - Eg. FIRS & I.O. | “Ghost workers” disappear overnight
      - Connectedness brings more information. “Nothing” is hidden or secret in Nigeria any more | Also easy for youth to organize & express themselves e.g. NUC data rates
    - This is not a direct ecommerce impact but associated with its technologies
      - Sooner or later, governments realise this and may act perversely unless you preempt by convincing them it is a fait accompli before it happens
  - With help, we can make the world a better place!
MAKE THE WORLD A BETTER PLACE
Additional information on gidimo and the “Get Nigeria To ‘A’!” Program
Part 1
SOMETHING IS VERY WRONG
Something is wrong with LEARNING

• A catastrophic drop in learning achievement
  – Over the past decade, an average of **72%** of Nigeria’s secondary school leavers **HAVE FAILED** the secondary school-leaving examination
    • This ranges from **50%** in some parts of the South-East, to **MORE THAN 90%** failure in some parts of the North-East!
    • This means 1,200,000 youth are pushed out onto the streets of Nigeria every year, unable to fend for themselves, and ripe for recruiting by undesirable elements
  
• For a country that **once led Africa** in education to drop to one of the world’s lowest learning achievement rates, is extraordinarily tragic & an alarming national disgrace
Manifested in Abysmal Pass Rates

Nigeria Annual PASS-RATES in May/June WASSCE

- 2005
- 2006
- 2007
- 2008
- 2009
- 2010
- 2011
- 2012
- 2013
- 2014
- 2015
High failure is **symptom** not problem

- As shameful as it may seem though, **very high failure rates are just the symptom, not the problem**
  - Students fail **BECAUSE** they have not learnt
  - Therefore the true solution is not to do everything possible to get students to “pass” but rather to do everything possible to help students to **LEARN** and to **WANT** to learn!

- **Not everyone will go to university, but ALL need basic education to advance in life without becoming societal burdens**
  - The senior secondary educational level is designed to produce citizens who can pursue independent value-creating existences in society.
An Urgent Problem (1)

• No space in the universities
  – Only 1 in 5 of the 1.7m who finish SS3 every year can fit in university
    • Their secondary education is all they will depend upon to achieve an independent value-creating existence

• No jobs
  – Youth unemployment has grown to reach 42.24% with no jobs for 15.2m of the 35.9m youth in the labour force!!
    • If we do not ENSURE that students acquire all the LEARNING required before leaving secondary school, we will be inflating the youth unemployment pool annually with a growing number of angry & frustrated youth, who feel impotent to improve their lot
National Security Issue

2014 WASSCE PASS-RATES by Geo-Political Zone

SS | SW | SE | NC | NE | NW
An Urgent Problem (2)

• A fragile polity
  – Our failing school-leavers are some of the most vulnerable youths in the world, ripe for recruiting by seductive & violent forces. Given Nigeria’s current demographic & socio-political makeup, **churning out millions of frustrated children on to the streets is a major security risk**

• The poorest are the worst hit
  – The wealthy can minimize the problems by sending their children to better schools and by hiring private “lesson teachers” for them
  – Thus the worst hit are youth from families with the least economic & social safety nets. **They may thus be the most vulnerable to despair & its consequent antisocial behaviour**
What do we value as a people?

Public Spending on Education as a Percentage of GDP
Part 2

THERE IS A GREAT SOLUTION
TESTED & PROVEN
A tested and proven platform, on which Nigerian students have answered over 110 MILLION learning questions, summaries & explanations, across all years, subjects, and topics of the senior secondary curriculum

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ANYWHERE & ANY NETWORK
A platform that works with any mobile device anywhere in the world where there is a data signal
A “Lesson teacher” for every student

- **With gidimo**, every child can afford a personal after-school tutor or “lesson teacher”
  - Mastery learning theory combined with social gamification theory drive an advanced approach to curriculum mastery via a mobile platform

- **Curriculum mastery becomes a gamified objective**, and advanced algorithms accompany and direct each student via daily personal work, at his or her own pace, to thoroughly & demonstrably master the set curriculum before the end of the school session
  - ** gidimo ** thus supports the teacher’s role of guidance & explanation

- ** gidimo democratises the “lesson-teacher” ** and makes it accessible to even the poorest in the most remote parts of the country, wherever there is a network signal

- Knowledge competitions further reinforce learning & drive content deeper into long-term memory areas of the brain
Tested and Proven

- The national pilot was run in partnership with Diamond Bank
  - 85,000 students across all 36 States of Nigeria studied 110 million learning questions, summaries & explanations
  - On average, each student mastered **33 subject topics in 3 months**
    - Equivalent to the full-year syllabus for 3 subjects
  - In addition to validating efficacy and scalability
    - 97% of participants said that gidimo improved their knowledge of their subjects
    - 90% said gidimo enabled them to achieve better examination results
    - 98% said they would recommend gidimo to a friend or family member
    - 87% of public school students and 75% of private school students said they would love to regularly cover their syllabus before the end of the session
Current or Past Collaboration

[Logos of various companies and organizations]
Over 110 Years of Experience
Depth and Experience

- The team of founders & executives includes four 1st-Class graduates; a former CTO & 3 veterans from Africa’s first internet software company; an executive from the world’s largest internet firm; two of Nigeria’s most sought-after server-side experts; and former technology & marketing executives from some of West Africa’s largest firms, with **over eleven decades of cumulative experience**.

- The team is led by Dr Adetunji Adegbesan. Widely reputed to be Africa’s leading strategy scholar, immediately prior to founding Gidi Mobile in 2012, he was a Director of the Centre for Competitiveness & Strategy at the Lagos Business School, & an award-winning global personality, invited to speak at knowledge events in more than twenty countries across four continents, with a 17-year track record of excellence, integrity & credibility.

- His consulting experience spans the software, telecommunications, banking, oil and gas, and electronic payments industries; while his work experience covers food and beverages, software development, consulting, information systems management, and electrical engineering, in both manufacturing and service sectors. A member of the Editorial Advisory Board of Businessday Newspapers, he is fluent in English, Spanish and Yoruba, and basic in French and Catalan.
The “Get Nigeria To ‘A’!” (GN2A) Program is a collaborative national initiative to reverse the decline in learning achievement at the senior secondary school level in Nigeria, enabling in the first 4 years, 75% of senior school students in Nigeria to achieve and demonstrate mastery of their entire assigned curriculum annually.