

## **Innovation Can Help SMEs in Africa Attain Growth and Competitiveness**

Innovation is the process of creating, adopting or adapting new or improved products, services, processes, or business models that meet the needs and expectations of customers, markets, and society at large. It can help SMEs to increase their productivity, competitiveness, profitability, and growth potential.

The key point to note is that innovation involves introducing something new or enhancing existing elements. Innovation also generates value for customers by addressing their needs, solving problems, or providing novel solutions.

Innovation leads to process improvements within SMEs, resulting in increased productivity and cost savings. By finding innovative ways to streamline operations, optimise supply chains, or leverage technology, SMEs can enhance their efficiency and competitiveness.

Innovation is often associated with disruptive creations. While disruptive innovations can lead to significant transformations, nondisruptive or incremental innovations can also play a crucial role in the growth and sustainability of SMEs.

Examples of disruptive innovations in Africa include M-Pesa in Kenya which has revolutionised mobile banking, leading to increased financial inclusion. Also in Kenya, BRCK created a rugged, portable, and solar-powered Wi-Fi device that provides reliable internet connectivity in areas with limited infrastructure.

For the incremental innovations, the Esoko platform in Ghana offers farmers real-time agricultural information, weather updates, and market prices through SMS, empowering them to make informed decisions. The Hello Tractor platform operating in Nigeria and Kenya, facilitates access to mechanised farming services enabling smallholder farmers to increase productivity.

The examples given above demonstrate that both disruptive and incremental innovations have a place in Africa, catering for different needs. Innovation in Africa should be contextual and driven by the specific needs, constraints, and opportunities present in each market.

Our BDS Unit offers a transformative approach to drive growth, and competitiveness for SMEs across the African continent. We understand that SMEs face unique challenges in their journey towards success, and our tailored solutions integrate seamlessly with their aspirations.

***Empowering SMEs in Africa for Growth and Competitiveness***

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