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Marketing and Selling of made in Nigeria Software:
Issues and Opportunities…

Presentation at the 2015 NCS Conference

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……to be the No.1 IT Platform Service Provider in Africa

AGENDA

1. Where are we ?
2. Key Challenges of local Software
3. Overcoming the Challenges
4. Prospects
5. About Us – CWG
6. CWG 2.0 Solution

At the end of this presentation you will:

1. Understand the reality and the present challenges facing local software development in Nigeria
2. Appreciate how local software development have helped improve the economy of other nations in the world
3. Understand what we can do to overcome the current challenges facing local content development
4. Discuss the prospects we have despite the current challenges

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Where are we....

- How many of us will be willing to use made in Nigeria phones and drop our current Samsung phones, iphones, blackberry phones and all other sophisticated phones we carry about?
- How many Banks in Nigeria use made in Nigeria software as their core banking operations?
- With the introduction of cashless society, how many made in Nigeria POS do we have?
- How many of the Oil & Gas or Telecom companies use made in Nigeria software as their main business application?
- How many of the video games which our children play at home are designed locally?
- How many times does the government sign big ticket ICT contracts with local firms?

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- With statistics of over 173 million connected lines and over 128 million active lines, according to the Nigerian Communications Commission in May 2014, it is unarguable that mobile application development has a huge potential. The Business Software (Alliance, an international association representing the global software industry, in a recent study, said the "Nigerian economy lost $156m to software piracy in 2009.
- Nigeria is said to be losing about $2 billion (N320 billion) to Information Technology (IT)products and services being imported into the country yearly, while export is just about $5 million even as the Federal Government pursues a vision to be the ICT hub of Africa - See more at: http://www.mynewswatchtimesng.com/nigeria-loses-2bn-annually-imported-products/#sthash.HaWpnWNN.dpuf

- As per the Economic Survey 2011-2012, Software accounts for 41.7% of the total services exports from India.
- In 2011-12, Indian IT products earned an export revenue of around $1.5 billion , which rose to $1.6 billion in 2012-13

- Approximately, Six (6) computer and/or video games were sold on average every second of every day of 2012.
- $8.9 billion was revenue generated by purchases of digital games, mobile apps, subscriptions and social network gaming in 2013.
- The average salary for an entertainment software industry employee is $95,000

Sources:-
https://www.wto.org/english/tratop_e/devel_e/a4t_e/global_review13prog_e/india_africa_report.pdf

Key Challenges of Local Software company

Regulatory System

- Nigeria did not have a **ministry dedicated to ICT** until July, 2011.
- Focus on rolling out **new regulations** over ensuring adherence to **existing regulations**.
- **Over reliance on foreign ICT products** and vendors.
- High **cost of production** due to lack of enabling infrastructure.

Key Challenges of Local Software company

School System

- **ICT related courses** are not yet fully integrated in **all tiers of education.**
- The emphasis on the school preparing students for a **great job over** preparing them to solve problems or be **great entrepreneurs**.
- There is poor **government support** on school infrastructure.

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Key Challenges of Local Software Companies

Societal System

- **Slave mentality** that anything made overseas must be better than the ones made in Nigeria.
- **Many philanthropists would rather give fish** than teach people how to fish. What is wrong with building Co-Location Hub or "software villages"?

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Key Challenges of Local Software company

Security System

- Many made in Nigeria software are not built using **secure coding practices** or international standards like COBIT 5.
  According to Deloitte's Security Survey on eBusiness Platforms in Nigeria, November 2013, results show that of the total platforms sampled, online shops / retail markets had the highest number of security flaws, followed by financial institutions. 28% of the e-Business platforms reviewed transmitted user credentials in clear text.
- **Intellectual property rights** are usually not protected due to poor enforcement of the Copyright Act.
- Many of our IT professionals are still under **colonization – in their minds.** They are working hard to "catch up" with Microsoft, Facebook, Twitter, Samsung, etc. If we always think of catching up, we will never be ahead, and consumers are transacting with those ahead. Create the future!

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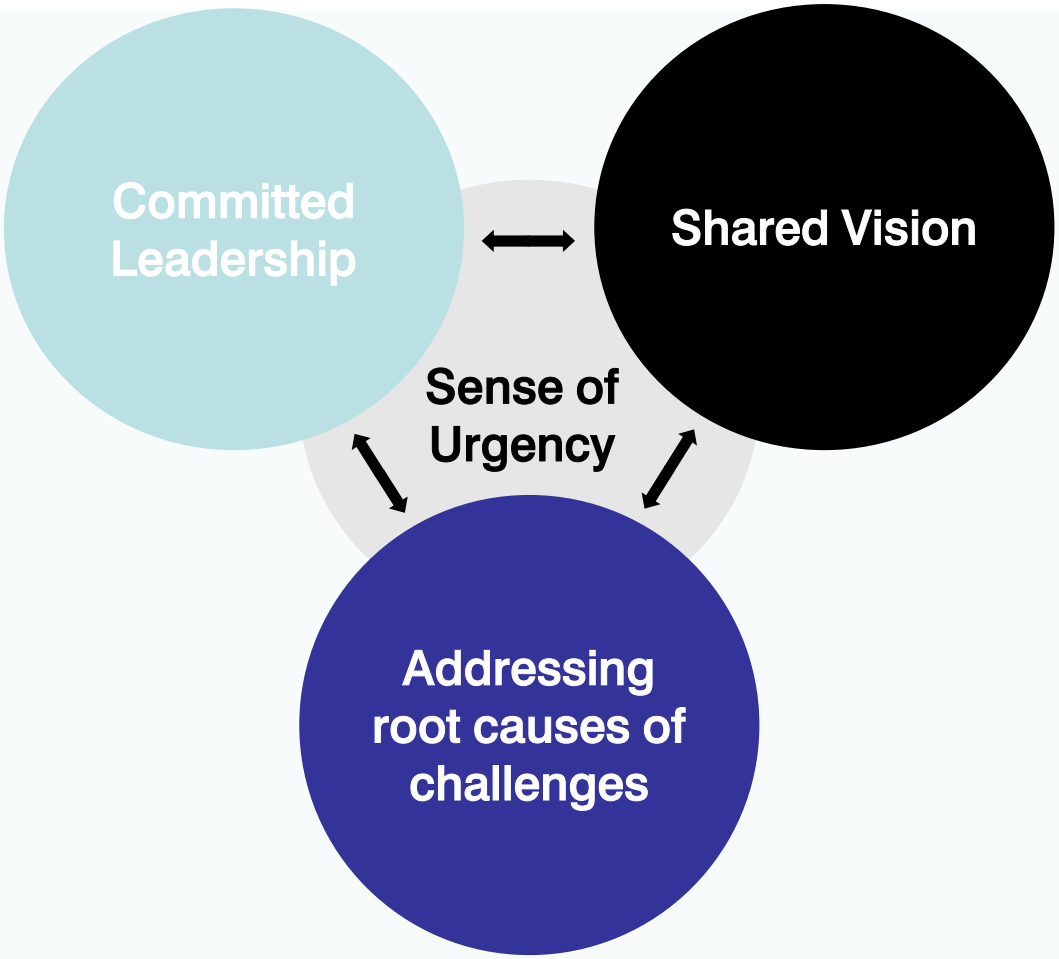
Overcoming the Challenges

In order to effectively overcome the challenges of local development, four key components must be in place.



Local Content Development - Prospects

"I see a big jump"

Evolving ICT Landscape: eGoverment, Mobile, Social Media, Broadband, Data growth, Cloud Computing, Outsourcing, etc.

Large Consumer Base: the demand for ICT products is increasing in all sectors. For example, in telecom industry, we moved from about 90 million to over 146 million subscribers in 3 years.

Availability of local talent: Nigerians are still one of the smartest people on earth. We have a large pool of resources to develop affordtable products that address the peculairities of our enviroment and the world at large.

Acceleration of the growth of the economy: If half of the 2013 budget represents total annual ICT spend on importation, then imagine what will happen to our economy if 50% of that amount is internally generated from ICT.

Sources:-http://www.ncc.gov.ng/index.php?option=com_content&view=article&id=125&Itemid=73

Local Content Development - Prospects

"I see a big jump"

An ICT Ministry that is working means better frameworks, policies and the enforcement of these policies: This conference is a sign that we are begining to adopt the right "thinking".

The ICT Ministry, though young, should work hard to develop and enforce more enabling policies and frameworks e.g.

India	• Software Policy of 1986
	• National electronics policy (NEP) in 2012
	• Framework for Mobile Governance
US	• The Digital Government Strategy

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Big Opportunities

- A Software-driven World
- The Rise of Local Content
- From Consumption to Production
- Making Software Nigeria a priority e.g NCS and ISPON
- A Supportive Environment-Tax incentives should be provided for local software developers.

Concluding thoughts

"The local ICT industry is one where we see tremendous potential for local content development despite the challenges. We have the best brains, good people and an economy that is gradually improving. With the advantages we face over foreign software and with an enabling environment, policies and government backing, it is only a matter of time before the ICT industry becomes one of the biggest employer of labor, and one of the largest contributors to the GDP of our great country Nigeria."

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CWG: Our Journey

23 years of experience, delivering first rate IT products and services

Over 23 years of experience, delivering first rate IT products and services

Key Milestones

1992	1994	1996	1998	2000	2004	2008/9	2010	2012	2013	2014
CWL, CWG's hardware business was founded	DCC Networks, CWG's communications arm, was established	Expert Edge, CWG's software business was acquired		Introduction of managed services		CBS, NY case study The Abraaj Group, a PE firm, invests	MIT, boston study		CWG listing on The NSE	WEF Global Growth Company Launch Of CWG 2.0 Services

Footprint markets

Certifications

ISO 9001:2008 certified

334 certified professionals

80% Staff ITIL certified

Blue chip Client base

Nestle, Diamond Bank, Guinness, ExxonMobil, Shell, Nbc, Total, MTN, UBA, GTBank, Cadbury, access, Coca-Cola, Nigeria LNG Limited, etisalat, Tech Mahindra, SMERP, openshopen

Changing Strategy

Infrastructure → Managed Services → Cloud Services

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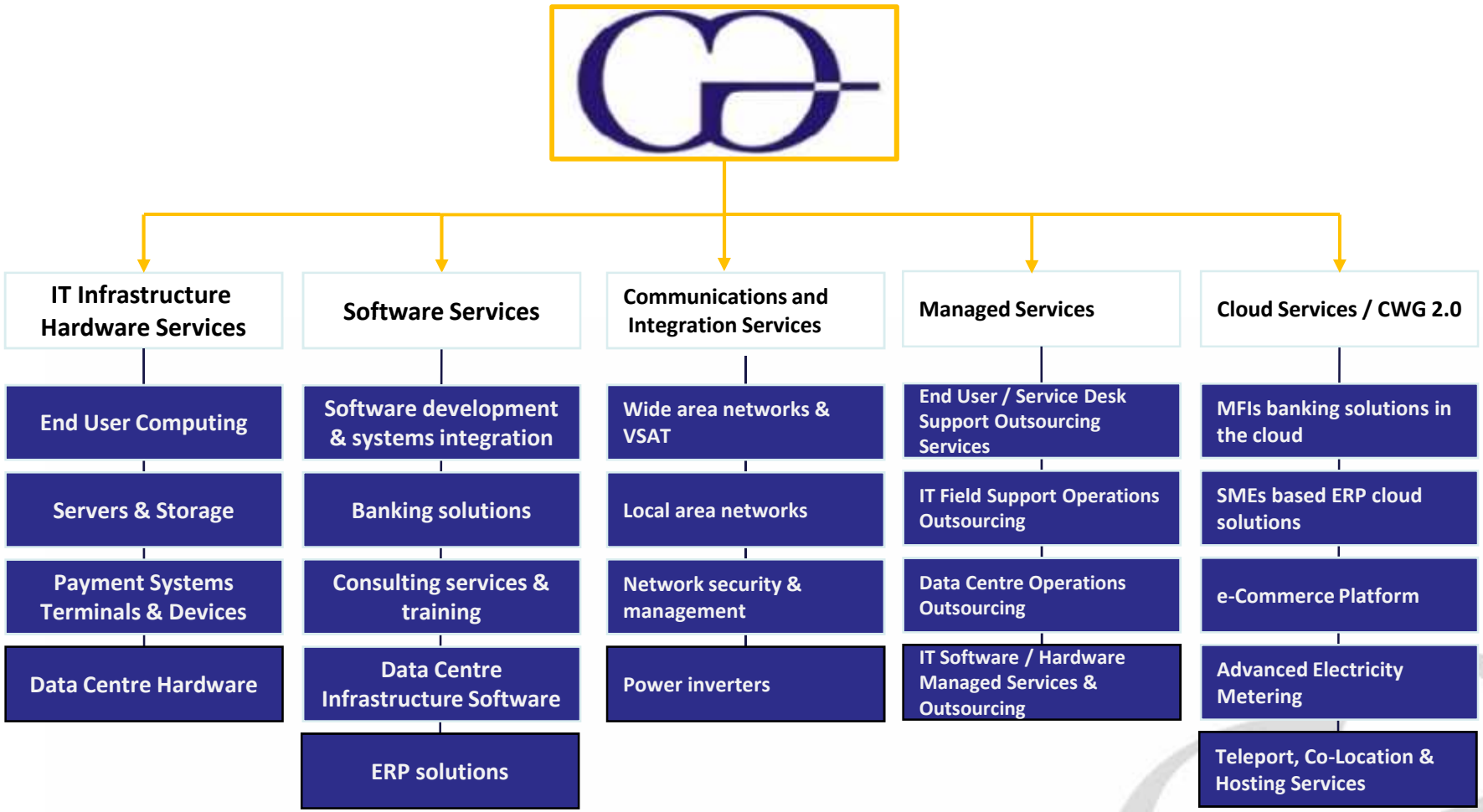
One-Stop-Shop Offering

Product range allows CWG offer solutions that address multiple client needs

CWG's business activities cut across the ICT value chain in Africa



CWG focused on growing recurrent revenue streams

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The CWG Academy Program

…capacity development & key technical resources availability

- CWG Academy established 8yrs ago to meet customers' demand & increasing rate of unemployable ICT Graduates.

- With more than 2,000 Alumni, CWG Academy currently runs in Lagos, Port Harcourt, Abuja in Nigeria, Accra in Ghana Kampala in Uganda & Douala in Cameroon.

- **CWG Academy Focus:**
  - Develop pool of skilled workforce ready for employment.
  - The program is designed to cover the different ICT skills in one steaming curriculum.
  - CWG offers employment to best graduating students & also position others to meet client demands.
- **Other trainings we offer are:**
  - Oracle, Cisco, ITIL , Project Mgt
  - ATM, Data Centre Mgt, Cable Mgt.
- **List of some our clientele are:**
  - MTN, FBN, UBA, STANBIC IBTC, BANK of AGRICULTURE
  - CENTRAL BANK OF NIGERIA, CHEVRON, KEYSTONE BANK, DIAMOND BANK

CWG 2.0 –Subscription-based Solutions

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CWG 2.0 Overview

…Our Subscription Offerings

- Openshopen Platform
- SMERP Platform

- POS

- Teleport

- Advanced Electricity Metering

- CWG's FinEdge & MTN XaaS

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