

#TheCultureFactor  
Conference

Cultural intelligence in business  
*Driving success with a global  
mindset*

Luxembourg, 2019



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Conference

# Global Mindset?

## Shift\_your paradigm

By Okey Okere. Country Manager  
Hofstede Insights Nigeria



# Global Mindset?

## Shift\_your paradigm

By Okey Okere. Country Manager, Hofstede Insights Nigeria.

# Driving Success with a Global Mindset, depends on



How much you know  
about the world

*Opportunities*

*Challenges*



Readiness to take  
advantage of what you  
know



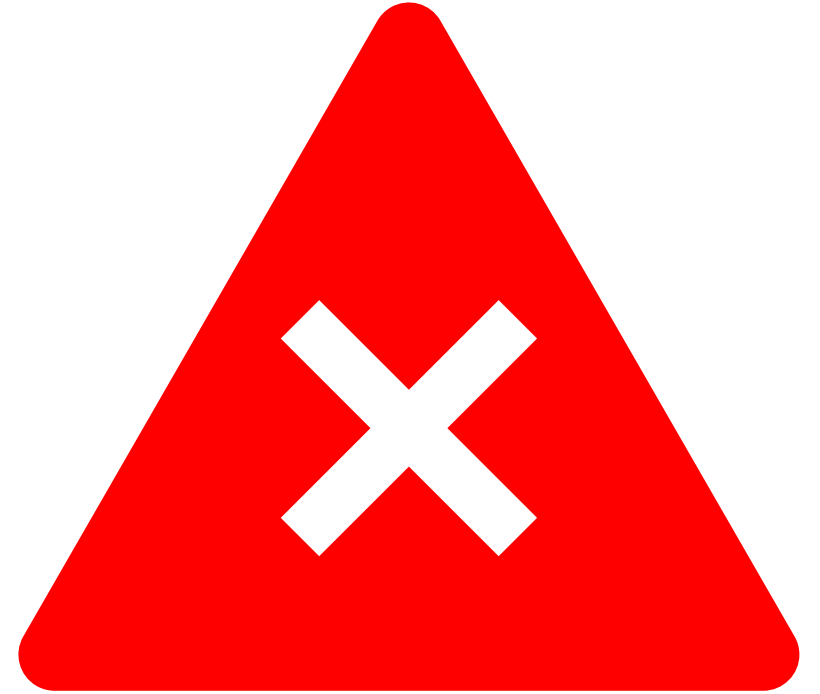
## Culture QUIZ

HOW MUCH DO YOU KNOW  
ABOUT THE WORLD?

Special prize for one lucky person with  
**ALL CORRECT ANSWERS**

Hofstede Insights'  
Associate Partners....

(Please) Let the  
others play



## #1: Languages (10 Points)

The largest number of English-speaking people live in the USA. Where would you find the 2<sup>nd</sup> and 3<sup>rd</sup> largest number of English speakers?

- A. Australia & UK
- B. UK & Canada
- C. Canada & South Africa
- D. India & Nigeria
- E. UK & India

## #2: Money (10 Points)

The most expensive city (in 2018) was....?

- A. New York
- B. Luxembourg
- C. Singapore
- D. Zurich
- E. Tokyo



### #3: Religion (10 Points)

Indonesia has the largest Muslim population in the world. Which country has the 2nd largest?

- A. Iran
- B. Saudi Arabia
- C. Egypt
- D. India
- E. Turkey

## #4: Economy (10 Points)

Based on a 3-year average (2017-2019), the 3 fastest growing economies in the world are located in...

- A. Europe
- B. Asia
- C. Africa
- D. South America
- E. Middle East

## #5: The “Future” (10 Points)

By 2050, India would have the world's largest population, followed by China. Which country would be the 3<sup>rd</sup> largest?

- A. USA
- B. Brazil
- C. Indonesia
- D. Russia
- E. Nigeria

Write your first name on  
your answer script and give  
it to someone you have just  
met...

Let's see the Correct  
Answers

# #1: Languages (10 Points)

The largest number of English-speaking people live in the USA. Where would you find the 2<sup>nd</sup> and 3<sup>rd</sup> largest number of English speakers?

- A. Australia & UK
- B. UK & Canada
- C. Canada & South Africa
- D. India & Nigeria\*
- E. UK & India

\*Education First's English Proficiency Index (EF EPI 2018). [www.ef.edu](http://www.ef.edu). Retrieved 13 May 2019.

## #2: Money (10 Points)

Which of the following was the most expensive city to live in in 2018?

- A. New York
- B. Luxembourg
- C. Singapore\*
- D. Zurich
- E. Tokyo

\*Worldwide Cost of Living 2019.  
Economist Intelligence Unit. Singapore  
ranks #1 with Paris and Hong Kong

## #3: Religion (10 Points)

Indonesia has the largest Muslim population in the world. Which country has the 2<sup>nd</sup> largest?

- A. Iran
- B. Saudi Arabia
- C. Pakistan
- D. India\*
- E. Bangladesh

\*Pew Research Center, 2017

## #4: Economy (10 Points)

Based on a 3-year average (2017-2019), the 3 fastest growing economies in the world are located in...

- A. Europe
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\*World Bank, 2019



## Question #5: The Future (10 Points)

By 2050, India would be the world's largest country by population, followed by China. Which country would be the 3<sup>rd</sup> largest?

- A. USA
- B. Brazil
- C. Indonesia
- D. Russia
- E. Nigeria\*

\*Financial Times, US Census Bureau & VOA News 2019

Do we have a  
winner?

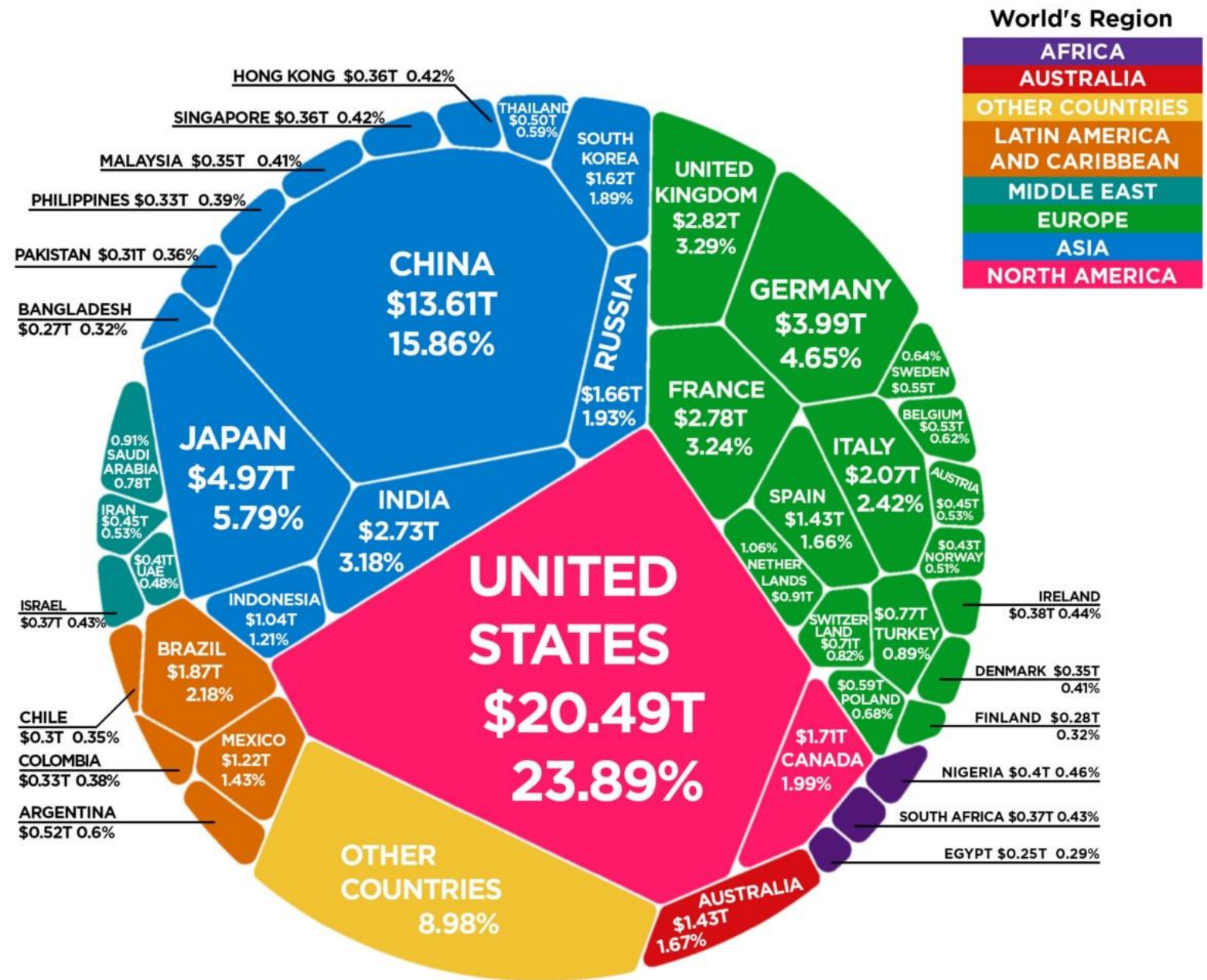




# How much Do you Know About the World Around You?

Opportunities | Challenges

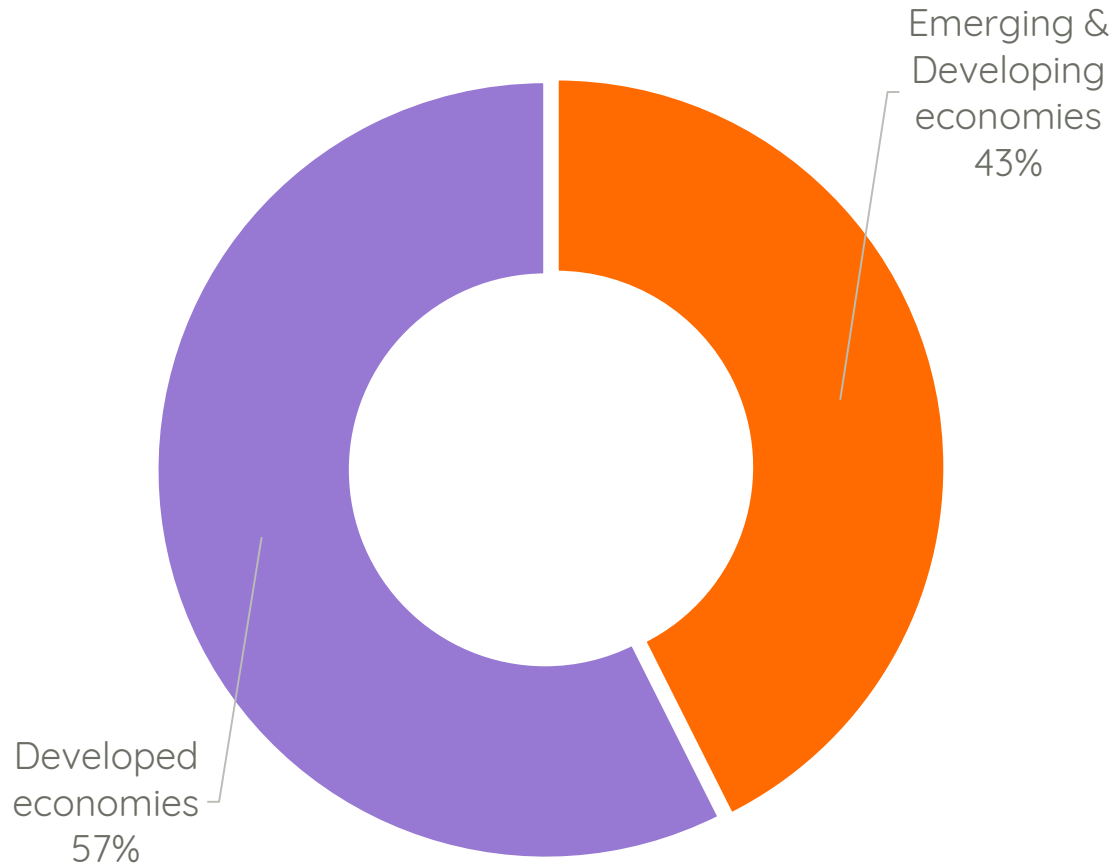
# Our World Today



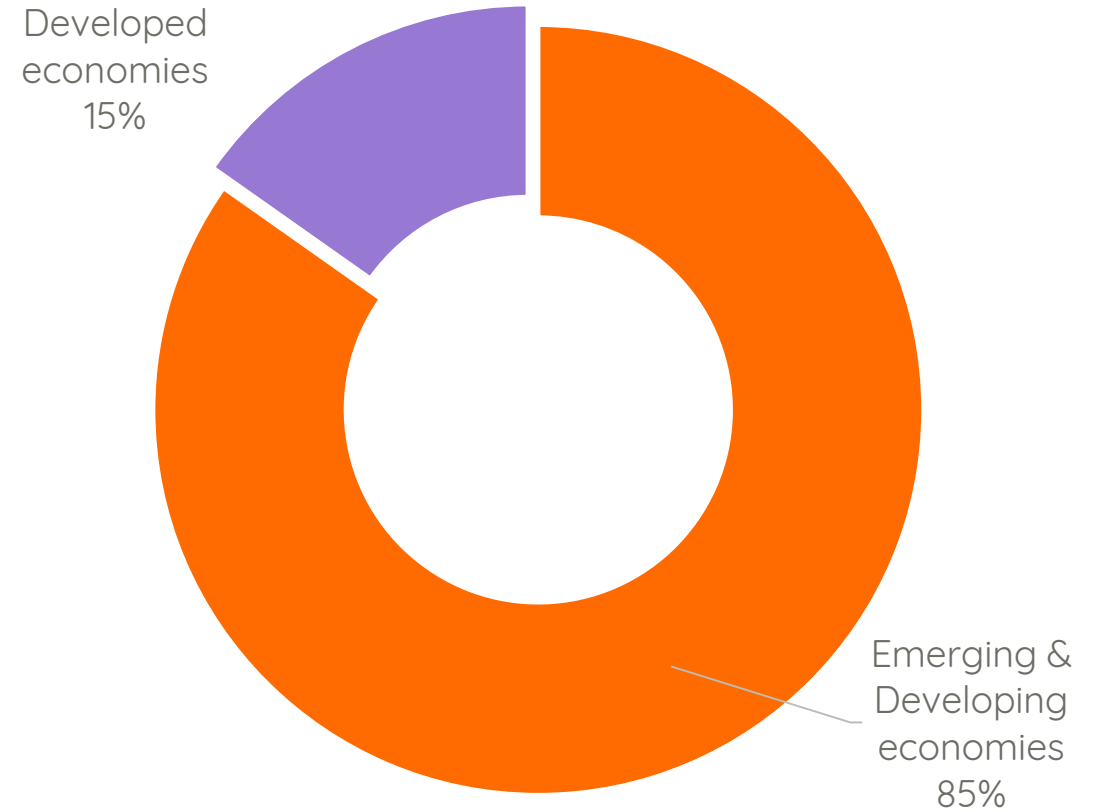
Source: Howmuch.net and databank.worldbank.org

# Our World Today (cont'd)

Share of World GDP  
(2019)



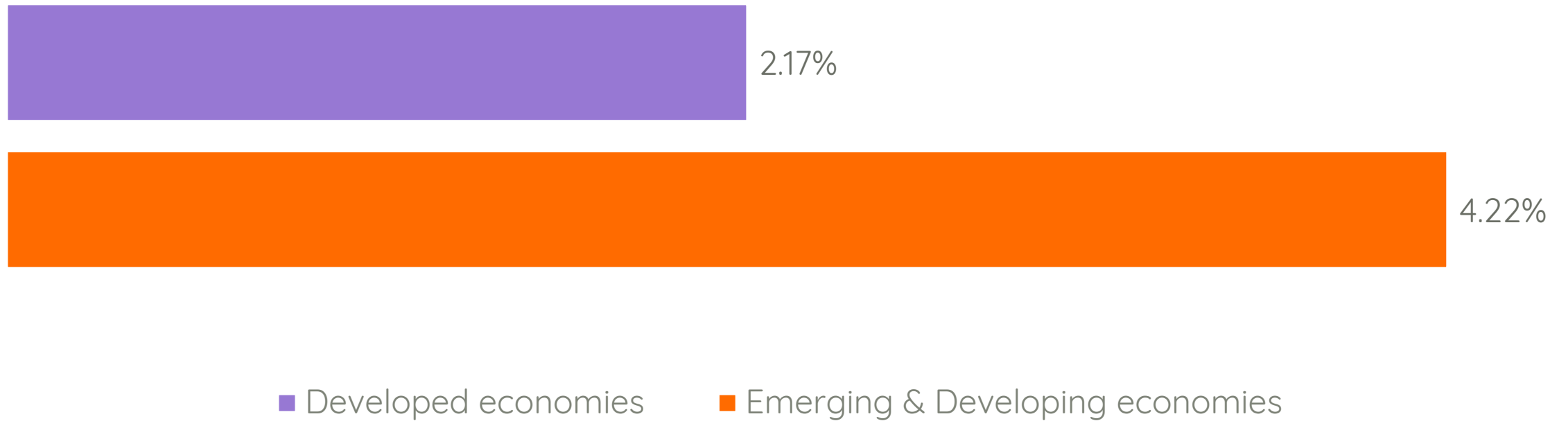
Share of World Population  
(2019)



Source: databank.worldbank.org

# Developing economies growing 2X as fast

## GDP Growth Rate



Source: UNCTADStat



# Why Invest in the Developing World?

Opportunities | Challenges



# Opportunities Exist

“

Even in the poorest of countries, business opportunities exist. People have demand for goods and services, and they have the potential to supply them...”

Bruce McNamer  
(President and CEO, TechnoServe)



Source: TechnoServe



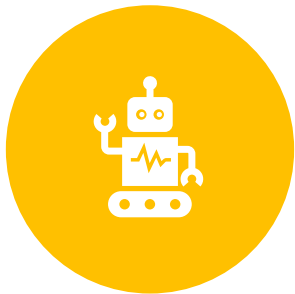
# Some Points to Consider



Not as bad as usually painted to be!



Despite risks, many businesses thrive in developing economies.



“Tech Leap-Frogging” creating amazing opportunities



Best way to see available opportunities is to visit!

**Expos & Conferences also help**

# Downsides



Political &  
Socioeconomic  
Risks



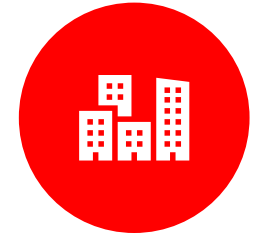
Market &  
Currency Risks



Insufficient  
Data for  
Decision  
Making

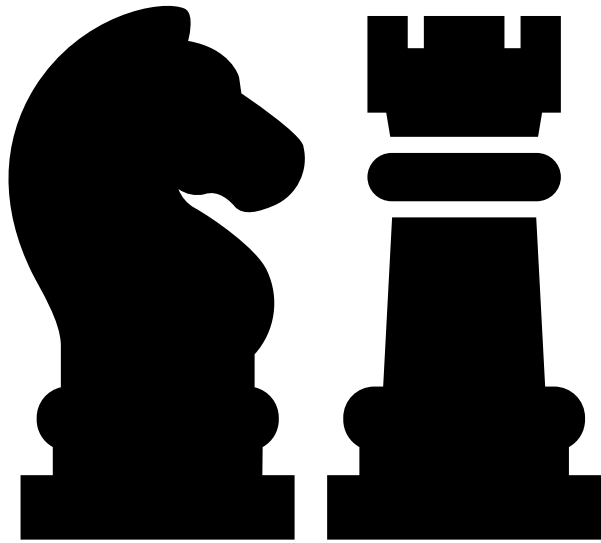


Skilled Human  
Capital  
Shortfall



Poor  
Infrastructure  
& Weak Supply  
Chains

(Power, ICT,  
Transport links)



FORTUNE  
FAVORS  
THE  
BRAVE

# Upsides



Challenges offer  
Long-Term Growth  
Opportunities

(Fast Growing Economies; Large & Rapidly  
Growing Populations)



Usually, More  
“Flexible” Regulatory  
Frameworks



Opportunity To  
Diversify

(New Markets)



Opportunity to do  
some GOOD!

(By supporting Int'l Development)

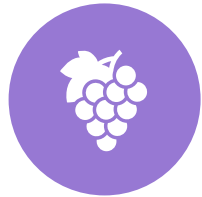


Cheaper Labour



Lower Prices **BUT**  
**HIGH VOLUMES**

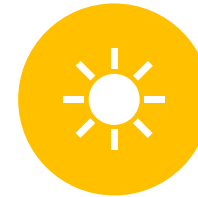
# Key Industries where Big Opportunities exist (in the Developing World)



Food &  
Agriculture



Financial  
Services



Renewable  
Energy &  
Related Tech



ICT



Building  
Materials &  
Low-cost  
Housing



Light  
Manufacturing



Infrastructure  
Development



Clothing &  
Footwear



Education &  
Education  
Technologies

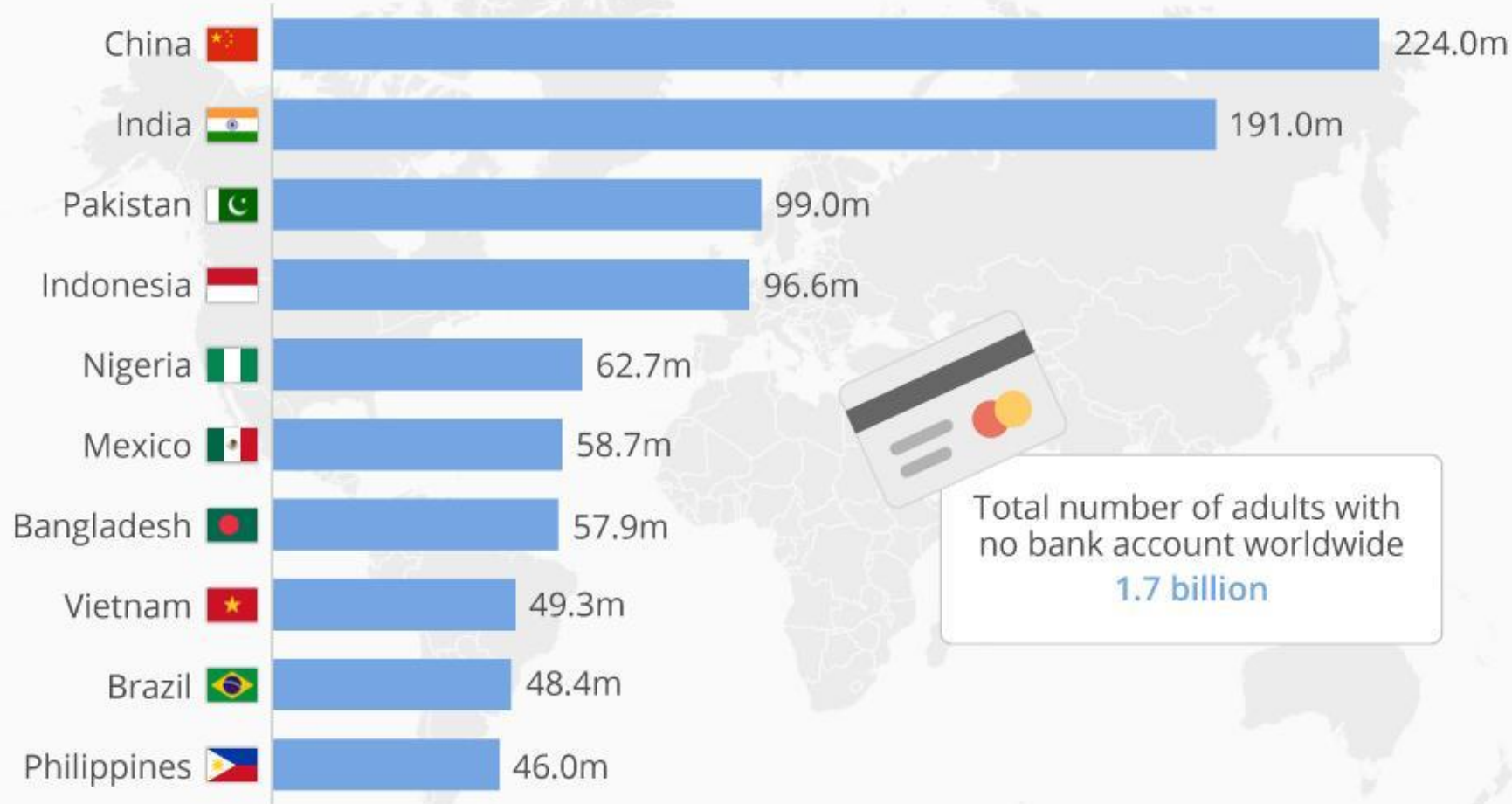
# Africa: Projected Increase in Annual Revenue by 2025

- Agro-processing (\$122 bn)
- Cement production (\$72 bn)
- Clothing & footwear (\$27 bn)



# Where Adults Lack Access To A Bank Account

Number of adults without a bank account in 2017\*



@StatistaCharts

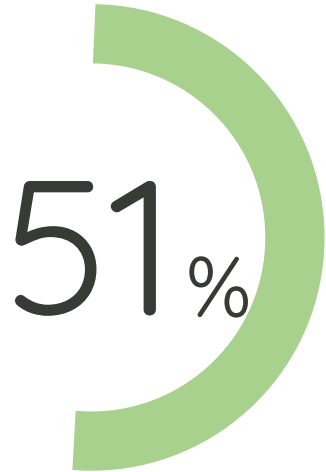
\* The World Bank defines adults as aged 15+ in this case

Source: World Bank

Forbes statista

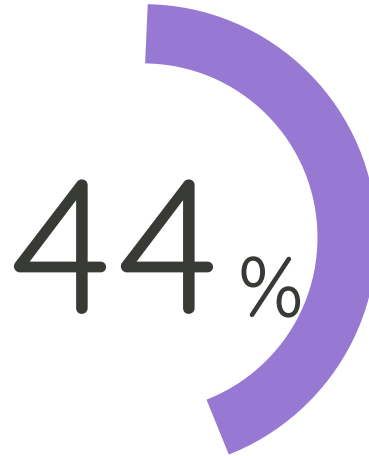
## Financial Services Opportunities

# ICT: Internet Access...



“% of World population with internet access”

We crossed 50/50 threshold in 2018



“of developing world have access”



“of Africans have internet access”

Source: International Telecommunication Union (ITU)

## HUGE OPPORTUNITIES TO BRIDGE DIGITAL DIVIDE

+ Financing usually available from Govts & Multilaterals





How ready are you for Global Opportunities?

# Two Main Issues to Think About...

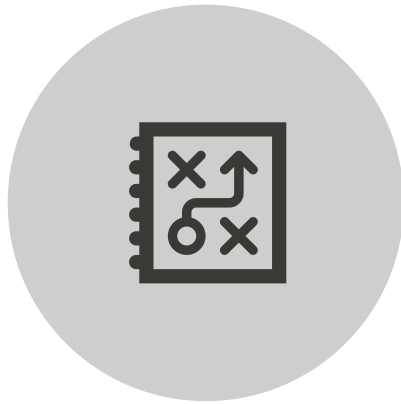


BUSINESS RISKS



CULTURAL ISSUES

# Readiness will depend on...



STRATEGY



PARTNERSHIPS



INTERCULTURAL  
MANAGEMENT

# Strategic Issues



## Scale

Market Entry Strategy  
Base of the Pyramid  
(Unitization, Agility)  
Create new products?  
Adapt existing products?



## Long-Term Horizon + Funding Strategy

“Emerging” Market  
“Patient Money”  
Local component funding



## First Mover Advantage: Critical

Usually, the first to get  
there dominates  
Move quickly  
Proof of Concept?

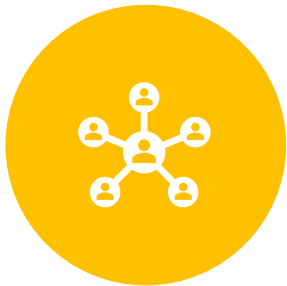
# Partnerships



You need a local partner



Partner will help navigate business terrain, culture & laws



“Connected” partner will significantly ease entry



Depending on strategy: partner can be an individual or an organisation

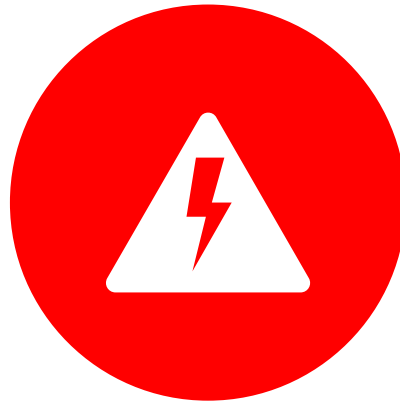
# Inter-Cultural Management Issues

[illegible]

# Inter-Cultural Management Issues (Cont'd)



Intercultural problems are inevitable



Impact could be more severe than political & socioeconomic risks



**MUST** understand local cultures & important practices

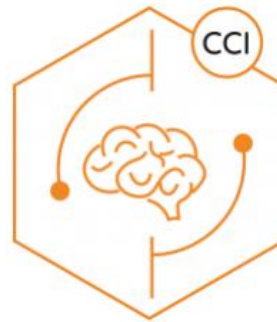
# How Hofstede Insights can help!

## INTERCULTURAL MANAGEMENT



Navigate Intercultural issues with ease, when partnering with people in the developing world!

## CONSUMER CULTURE



Appropriately connect with local cultures, to adapt products/services & marketing campaigns

## ORGANISATIONAL CULTURE



Design and shape the right culture for your teams in the new markets you enter

My colleagues will tell you more about how we can help, later today



# Stories from Nigeria

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“

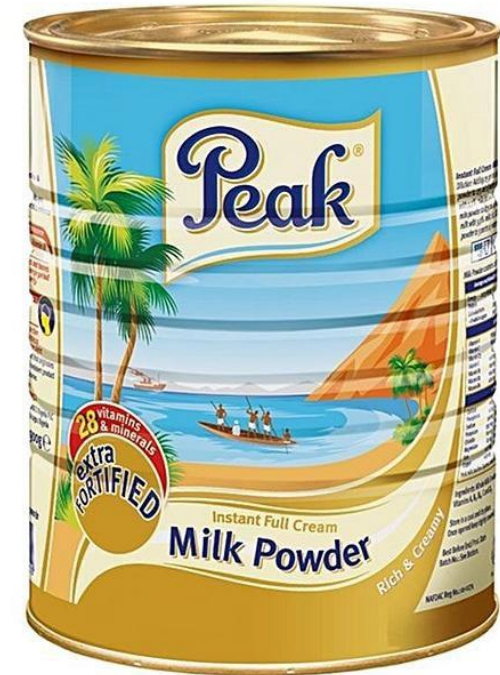


# Indomie Noodles (Kellogs Tolaram)

- 1988, struggled because locals initially thought it was “worms”
- PT Indofood partnered with the Nigerian food company Dufil Prima Foods
- **US\$ 600million Sales (2017) in Nigeria**
- Within 20 years, Nigeria became 12<sup>th</sup> largest noodles Market in the world.

# Promasidor: Cowbell Milk

- Entered Nigeria in 1993
- Unable to compete with Friesland Campina's Peak Milk, sold in 400g tins
- Switched to 20g sachets
- **Annual Sales in Nigeria is around US\$400m**



A few things to remember...

# Some Things To Remember

- Opportunities **ALSO EXIST OUTSIDE** THE DEVELOPED WORLD
- Get Ready to Take Advantage
  - Right Strategy
  - Local Partnership
  - Inter-**Cultural** Issues
- Be Brave! Go & Discover opportunities
- Hofstede Insights is ready to help you!

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Without them none of this  
would have been possible  
Thank you!

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*Associate Partner of Hofstede Insights  
Country Manager/CEO, Hofstede Insights Nigeria*

## Okey Okere

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excited about Organisational Culture, Inter-Cultural  
Management, Strategy, Business Analysis, Organisational  
Development, L&D, Finance, Credit/Risk Analysis, ICT and  
Programme Management



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