

INSIDE INFORMATION

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// EXPERTS IN THEIR OWN WORDS

THE BEST OF BOTH WORLDS



Channel Middle East talks to Mitesh Shah, director, Mitsumi Distribution on how the company is strengthening its footprint in the Middle East and Africa (MEA) market.

CHANNEL MIDDLE EAST: Briefly outline Mitsumi Distribution's focus and coverage model here in the Middle East and Africa region.

MITESH SHAH: In 1996 we formed Mitsumi IT Distribution in Nairobi, Kenya, to bring appropriate and affordable technologies to Africa and now 16 years on, we are a Pan-Africa distributor. Mitsumi is one of the leading technology distributors with a wide network of resellers acting as a one-stop shop of IT for dealers and resellers in Africa. We are an authorised distributor for most of the IT hardware and software multinationals. The company has operations in 12 African countries and the regions covered include East and West Africa; and we are foraying into Southern and North Africa in 2012 and next year.

CME: As a distributor focusing on the Middle East and Africa market, how is Mitsumi Distribution developing its business in the two regions?

MS: Mitsumi has been present in Africa from 1996 and has since consolidated its presence on the African continent. We have 15 warehouses and eight service centres. These are slated to grow to 18 warehouses and 11 service centres across Africa. We have a strategic warehouse located in Dubai's Jebel Ali Free Zone which is our Middle East hub. This distribution office is strategically located and caters for faster and more efficient deliveries.

CME: What's your perception about the IT distribution in the Middle East and Africa region?

MS: There is immense potential

in the African market. With new technologies coming, we see a lot of innovation within the distribution space in Africa, which could look different from the current distribution models widely used. We have already established a reputation as one of the most dependable and customer-centric distributors in Africa. We have a Pan-Africa distribution strategy and vision, strong in-country presence and right marketing campaigns which will take IT distribution to the next level.

CME: How have you divided the African market and in which countries do you have direct presence and subsidiaries?

MS: Having started our operations in Kenya, we have divided the business into three regions namely East Africa; comprising Ethiopia, Rwanda, Tanzania, Uganda and DRC; West Africa covering (Nigeria, Ghana and Ivory Coast, and we intend to grow into Liberia and Cameroon this year. The last part of our operations focuses on Southern Africa which constitutes Zambia and Mozambique. We will seed and ramp Malawi, Botswana, Namibia, Mauritius and Zimbabwe in 2013. Our plan is to ensure that the main growth engine for the next five years comes from the Southern and North Africa markets.

CME: What vendor brands does Mitsumi Distribution represent?

MS: Mitsumi is an authorised distributor for multinational IT brands that include Dell, Toshiba, HP, Microsoft, Acer, Samsung, BenQ and Tripp Lite. We are currently in touch with other vendors and we will

be expanding our product portfolio.

CME: Grey marketing and software piracy are some of the vices that distributors face in the MEA region. How are you addressing grey marketing and piracy?

MS: This is one of the key challenges every distributor is facing. We have created different marketing campaigns and programmes to educate partners. We recently concluded a partner event in Ethiopia aimed at educating partners about the importance of buying from legitimate channels. We encourage and invite resellers across Africa to partner and work with authorised channels of distribution.

CME: What are you finding challenging at the moment in the MEA distribution landscape?

MS: While the channel has rallied back to fend off the effects of the worst global recession key channel leaders expostulate success or failure in 2012 will largely depend on innovation, solutions selling and adoption of emerging technologies which will spur growth, profitability and boost the industry going forward. I am very optimistic about 2012 as the IT sector shows healthy increases in government spending in Africa. This will create major opportunities for the regional reseller channel to capitalise on.

CME: Where do you see growth coming from for your business this year and beyond?

MS: The market is constantly evolving. We are looking to add full functions to our business model and further hone our service and support offerings to our partners in MEA.