

Africa Ascendant

Mega Trends and Themes in Private Education Investment



Contents

Introduction: The African advantage..... 2

Education: The “ultimate consumer good”..... 4

A dynamic investment landscape..... 6

Trends to watch in African education sector investment..... 9

On the horizon: Emerging opportunities for investors and operators 12

About the L.E.K. Global Education Practice..... 17

References..... 18

About L.E.K. Consulting

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Introduction: The African advantage

One in every six people in the world today is African. By 2050, that figure will become one in four, and by the end of this century, nearly half of all people in the world will be African (see figure 1).¹ Moreover, Africa is not only the most populous region in the world, it is also the fastest-growing continent in economic terms; out of the top seven fastest-growing economies, five are in Africa (see figure 2).²

The demographic and economic dividend, in conjunction with a concentration of economic opportunities in urban centers, is giving rise to rapid urbanization — according to the UN, 15 of the top 20 fastest-growing cities between 2015 and 2035 will be in Africa (see figure 3).³

These trends in turn are fueling consumerism and giving rise to unprecedented opportunities for consumer-oriented businesses across the continent.

This large pool of new consumer spending has attracted the attention of investors and operators across categories. As an example, the continent has ~800M mobile subscribers,⁴ and many global operators are looking to tap this potential. Airtel's Africa arm has seen investment in the order of \$1.25 billion,⁵ and is expected to pursue an IPO. According to the International Air Transport Association, Africa is also set to become one of the fastest-growing aviation regions in the next 20 years, with an annual expansion of ~5%.⁶

Figure 1
Africa share of world population

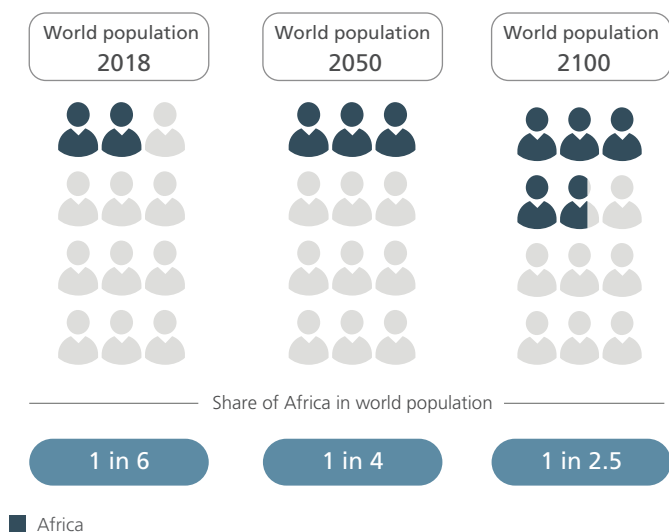


Figure 2
Fastest growing economies in the world

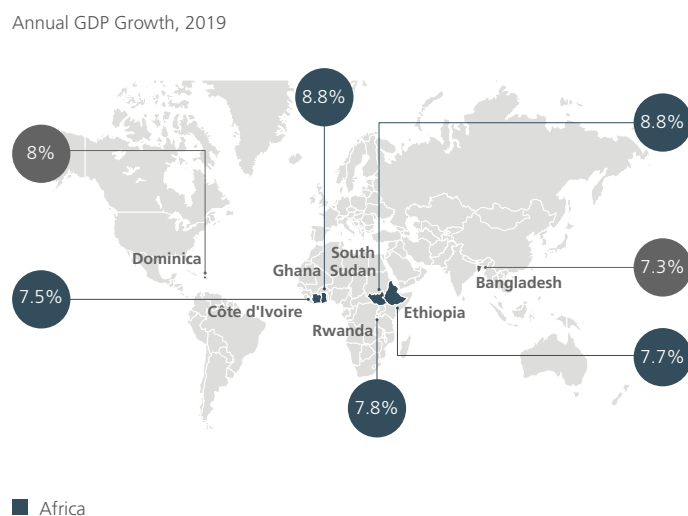
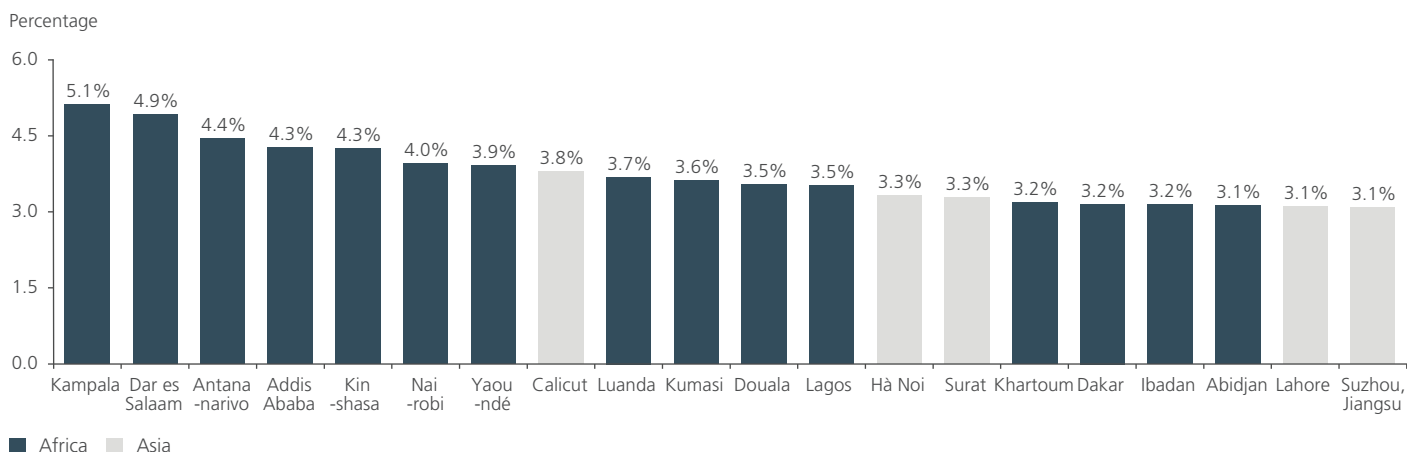


Figure 3
Population growth forecast, world's largest 20 cities (2015-2035)



China and the U.S. are making significant investments in Africa⁷ in the form of infrastructure and other major projects. A range of global brands is entering the continent's markets either through expansion or partnerships, with companies like Coca-Cola significantly raising their investments in Africa to tap into the large consumer base.⁸ Hospitality groups such as Radisson⁹ and Accor Hotels¹⁰ have announced significant expansion and investments

in the region. Beyond this, African companies are going global and attracting significant investments from financial markets — as an example, Jumia, a large ecommerce company, recently had a successful IPO on the New York Stock Exchange,¹¹ and became the first company originating from Africa to do so. There is also an increase in innovation, as demonstrated by a rise in the number of technology incubators in Africa.¹²

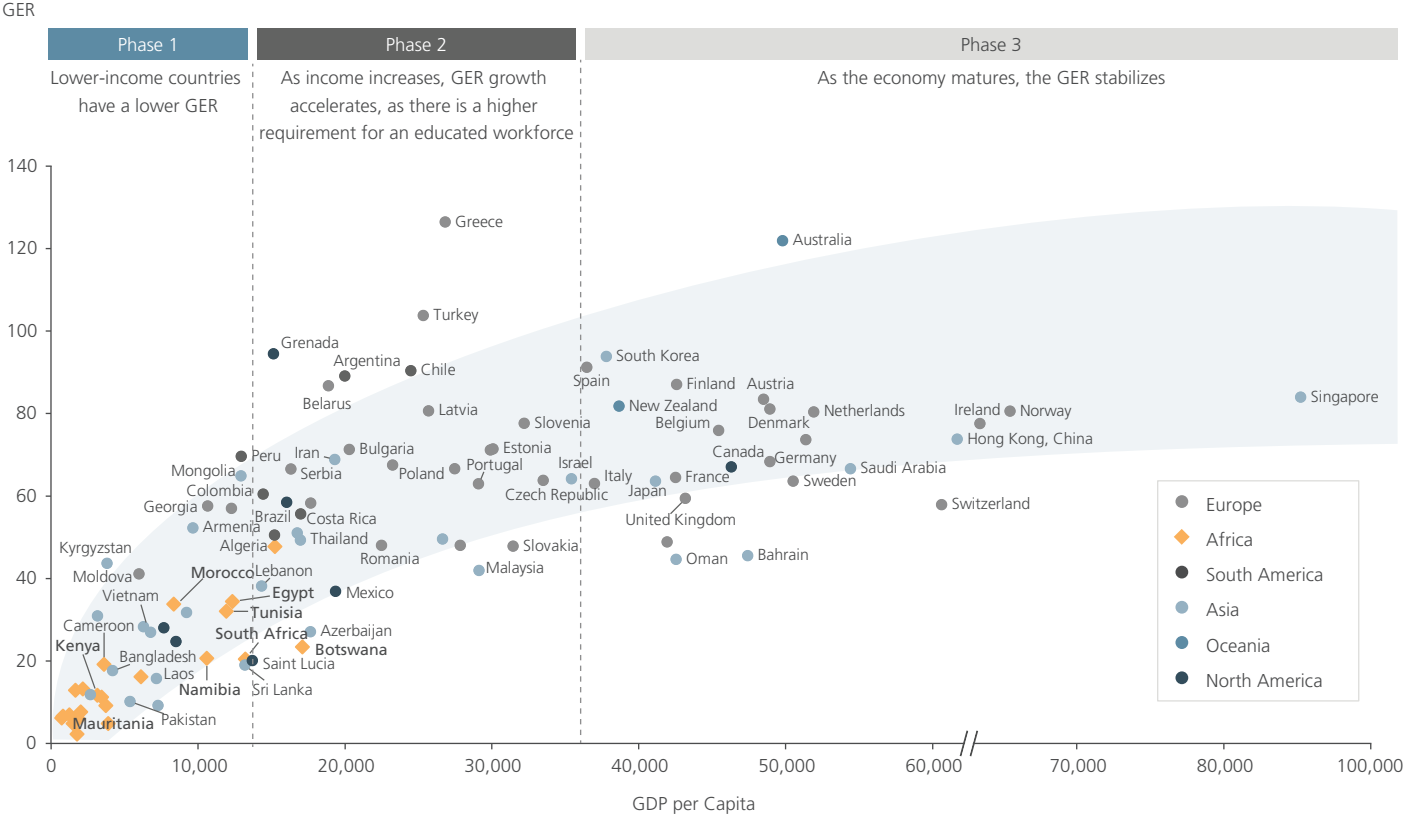


Education: The “ultimate consumer good”

Africa’s demographic and economic dividend is giving rise to a significant opportunity for the education sector. Education is “the ultimate consumer good,”¹³ typically a first site of investment for families increasing in affluence and a segment resistant to economic shocks. As economies grow, so does their demand for an educated workforce, driving enrollment ratios. Emerging economies have fast-growing university sectors, with high demand for available seats.

Africa’s economies have historically had low GDP per capita, and its enrollment ratios have been below 15-20%. However, the strong correlation between educational attainment and economic growth means that anticipated growth in Africa is likely to require corresponding increases in educational attainment (as measured by gross enrollment in education). This increasing demand, coupled with shortfalls in public sector education provision, translates into opportunities for investors and operators (see figure 4).¹⁴

Figure 4
GDP per capita (PPP) and tertiary gross enrollment ratio (GER), global, 2017



Note: Correlation factor between GER and Ln (GDP) is 0.79; $y=0.2058\ln(x) - 1.4762$; for countries where 2017 data is not available, 2016 data has been used for both GER and GDP per capita. Data not available for all countries; some country labels not included.

Alongside robust demand, education businesses are also typically attractive from a business model perspective, given that they demonstrate a number of favorable characteristics:¹⁵



Real price growth

Education industry characteristics allow fees to grow at a higher rate than most other consumer service industries. With tuition fee growth exceeding inflation levels and remaining in line with parent incomes, providers consistently witness stable, high margins.



Resilience

Expenditure on education has grown despite economic downturns and was resilient even during the global financial crisis. This highlights a highly secure investment opportunity.



Price insensitivity

Overall education quality is a strong influencer of decision making, taking precedence over pricing. Consumers (parents and students) are typically willing to spend more for higher perceived quality.



Long-term revenue visibility

A number of factors such as a long student lifetime value, predictable pricing growth, and resilience to macroeconomic fluctuations result in long-term revenue visibility characteristics that are unique to the education industry.



Barriers to entry

The education sector often has high barriers to entry such as complex and time consuming accreditation processes, the need for credibility and reputation building, and capital expenditure requirements. These all serve to limit competition.



Negative working capital

Fees are often collected in advance of delivering education services, resulting in attractive cash-flow for providers.



High ROI

The sector sees attractive margins due to cost structure and overall market demand. As education institutions are mainly fixed cost businesses, higher utilization levels drive margin growth.

A dynamic investment landscape

Given proven demand for education and attractive business model fundamentals, investment activity in Africa is already on the rise, as evidenced by the growth in size and number of deals in the education sector.

The number of deals has grown 24 times since 2004 to more than 70 deals, with deal value increasing 15 times (now standing at nearly \$720 million for the four-year period 2014-2018) (see figure 5).¹⁶ The sector has seen increased participation from

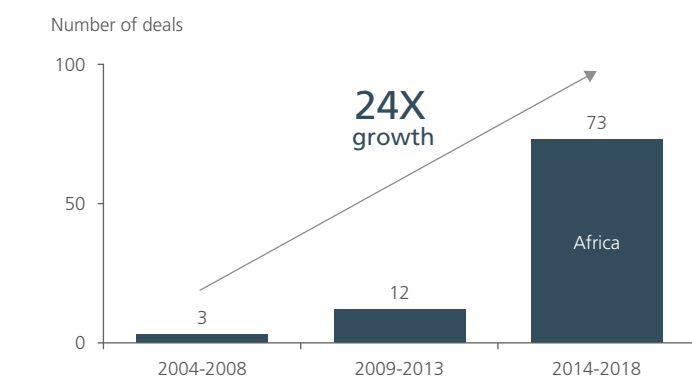
a range of private investors, including Africa-focused funds of bulge bracket investors (e.g., Actis, Carlyle, TA Associates, DPI and Helios) and Africa-based private equity funds and large operators.

Key sectors: Core delivery receives most investment; however, there is traction in other sectors

Core delivery sectors such as K-12 and higher education have seen the most deal activity (see figure 6).¹⁷ These two segments are typically the most scalable globally, with favorable business model characteristics. The K-12 sector in Africa clocked up 30 deals with a cumulative disclosed value of about \$326 million from 2014 to 2018. While large providers such as ADvTech and Curro have continued their consolidation of the mid-price and premium K-12 market, there have also been deals by financial investors such as Verod Capital's investment into Oreon Education in Lagos and AfricInvest's investment into ICS Ghana.

Similarly, the higher education sector racked up more than 20 deals worth about \$140 million from 2014 to 2018. There have been a number of noteworthy acquisitions by large providers such

Figure 5
Disclosed education deals in Africa (2004-2018)

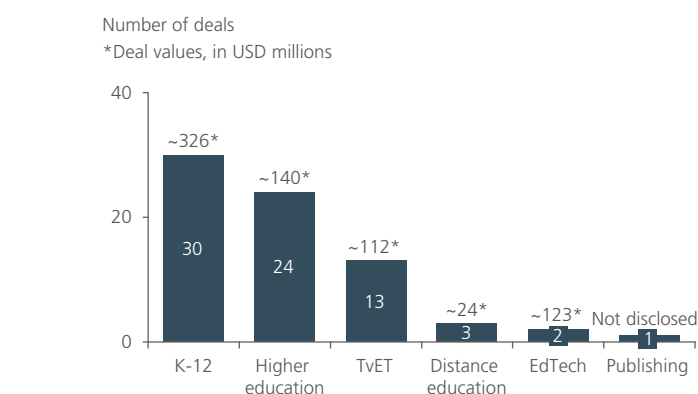


Value (USD M)	~47	~161	~715
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Top 5 Reported Deals in Africa 2004-2018

Target	Bidder	Deal value
getSMARTER	2U	\$123M (South Africa)
CENTURUS colleges	ADvTECH GROUP	\$65M (South Africa)
MIS British School	EFG HERMES	\$56M (Egypt)
NOSA A Microinvest Group Company	THE CARLYLE GROUP	\$55M (South Africa)
Université Internationale de Casablanca	KMR Holding Pédagogique	\$54M (Morocco)

Figure 6
Education deals in Africa, by segment and value (2014-2018)



Number of disclosed deals	16	7	9	2	1	-
Average deal value (USD M)	\$22	\$20	\$11	\$12	\$123	-
Target	VEROD	DPI	NOSA	STADIO	getSMARTER	JUTA
Bidder	VEROD	DPI	THE CARLYLE GROUP	STADIO	2U	JUTA

as ADvTECH, Stadio, KMR Holdings (backed by DPI, MCP and Helios) and Honoris United Universities (backed by Actis).

In many emerging markets, technical and vocational education businesses face challenges in attracting demand and achieving scalability due to a lack of mandatory requirements for certifications or low employer recognition of certifications. However, with a robust qualification framework and policy push in markets like South Africa, TVET is now emerging as a more favorable sector for deal activity, with 13 deals and more than \$110 million in investment. Carlyle's investment in TVET business NOSA and Investec's acquisition of Richfield are notable transactions in this space.

Given the lack of on-campus seats and significant demand for tertiary education, distance education offers an affordable, convenient and recognized alternative for degree-based education. In some markets, like South Africa, distance education represents as much as 40% of the total tertiary enrollments. The segment has demonstrated strong growth and has attracted investor interest in quality providers. Honoris United Universities' investment in the South Africa-based Mancosa / Regent is a notable scale investment in this space.

The largest of the education deals included online education company 2U's 2017 acquisition of GetSmarter, a South African company that provides online certification courses in partnership with top universities, for \$123 million. This represents the growing interest of foreign providers as well as the emergence of technology-based models.

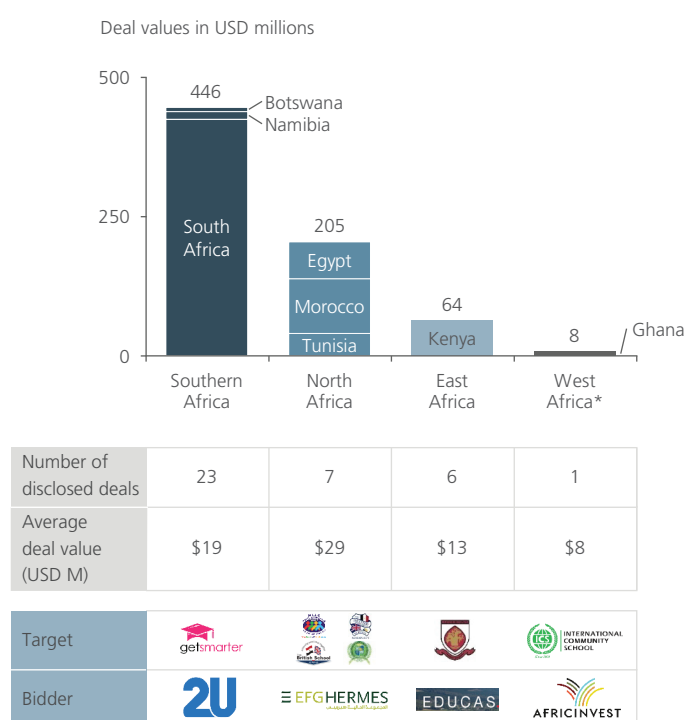
Key regions: There is activity across regions with Southern Africa and North Africa receiving the highest share of investment

Southern Africa leads the region in terms of total deal value from 2014 to 2018, followed by North Africa, where the sector is seeing deal activity across Egypt, Morocco and Tunisia. While East Africa and West Africa have also registered a string of recent deals, lower

reporting of deal values leads to lower value of recorded deals in these markets (see figure 7).¹⁸

While all regions are demonstrating deal activity and interest in private education, Africa is a large continent, and each region and country has its own nuances. The sectoral and competitive dynamics vary significantly, and this has a bearing on actionable investment opportunities in each sector, country and region. There are a number of notable activities and themes for key segments of education.¹⁹

Figure 7
Total size of disclosed education deals by African region (2014-2018)



Note: *Verod Capital Management has invested in Greensprings Schools, Rainbow College and Pampers Private School (deal value undisclosed)

Regional spotlight: themes and trends across regions



North Africa

In North Africa, healthy price points have resulted in scalability of education businesses (compared to rest of Africa). The K-12 sector has witnessed double-digit growth in segments in Egypt and Morocco, driven by demand for private and private international schools focused on education in English and French. Another growing sector is tertiary education, despite regulatory restrictions such as capacity constraints and price caps in countries such as Egypt.

The region has seen strong activity in mergers and acquisitions (M&A), for example Honoris United Universities' acquisition of University Central in Tunisia as well as Université Mundiapolis and Ecole Marocaine des Sciences de l'Ingénieur (EMSI) in Morocco. Other acquisitions include Helios, DPI and MCP's investment in KMR and KMR's acquisition of UIC Laureate (Morocco), as well as LCI Education's acquisition of HEM Morocco and CI Capital Holdings' investment in Taaleem (NUB) in Egypt. In Egypt, prior restrictions around foreign branch campuses have recently been relaxed; however these changes are still to materialize in the market.



Southern Africa

Major listed companies in the region (such as ADvTECH and Curro) are continuing to solidify their presence in both K-12 and Higher Education segments. Within K-12, premium segments are either consolidated or marked by legacy schools, with a shift in focus to large and high growth mid-market and budget schools. There has also been an emergence of new age mid-market and budget private K-12 such as Nova Pioneer, Spark, and Enko.

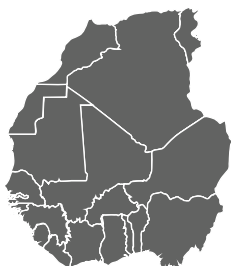
Within tertiary education, activity in M&A has continued, for example in Stadio Holdings' public listing and continued acquisitions, Investec's investment in Richfield, and ADvTECH's acquisition of Monash South Africa from Laureate. There has also been strong demand for distance education by providers such as Honoris United Universities, Mancosa, and Regent. Demand has further been stimulated by continuous policy initiatives within the vocational sector through schemes such as YES and BEE.



East Africa

A notable trend in East Africa is strong growth in the K-12 segment, driven by an increase in affordability and demand for high quality schooling. The mid-price segment is experiencing high growth (as witnessed by investments from ADvTECH in Makini, and Fanisi Capital in Kitengela, as well as Nova Pioneer's expansion across campuses) while schools in the premium segment are consolidating their presence (such as GEMS's recent acquisition of Hillcrest Schools) along with new school openings (such as Brookhouse Runda school opened by Inspired and Crawford Schools opened by ADvTECH).

Tertiary and vocational sectors have also witnessed high demand, resulting in program scalability. However price points continue to be low, with M&A activity at a nascent stage. Rwanda continues to be a hub for EdTech innovation.



West Africa

Within West Africa, Nigeria boasts the largest addressable market, however Accra and Ivory Coast are emerging as preferred hubs in the region. Demand for quality education has provided a strong basis for growth in the K-12 sector, which has also been attracting private equity investments (for example Verod Capital's investment in Greensprings and Rainbow College, and AfricInvest's investment in International Community Schools Ghana).



















There is significant demand for tertiary education and vocational education in the region, however high unemployment levels have resulted in subdued growth in the tertiary sector. Foreign universities are entering via branch campuses, such as Lancaster University Ghana.

Trends to watch in African education sector investment

A close look at the data over the past decade suggests that there are four main themes underpinning the growth in investment

activity in the African education sector (see figure 8).²⁰ These themes are likely to drive investment in the coming years.

Figure 8
Investment trends in the African education sector

1	Platform building			
	Sector	Investor	Target	Geography
	Higher education			Pan-Africa
	Higher education	  		Morocco
	K-12	 		Africa
	K-12		 	Nigeria
	K-12			Ghana
	TvET			South Africa
2	Global brands and branch campuses			
	Sector	Investor	Target	Geography
	Higher education		-	Ghana
	Higher education			South Africa
	Higher education		-	Morocco and South Africa
	Higher education			South Africa
	TvET		-	Nigeria
3	Local consolidation and geographic diversification across Africa			
	Sector	Investor	Target	Geography
	K-12 and higher education		 	Zambia Kenya
	Higher education		    	South Africa
	K-12			Kenya
4	Innovation driving venture investment			
	Sector	Investor	Target	Geography
	Vocational training	  		Africa
	E-learning	 		Kenya, Ghana
	Higher education	 		Nigeria
	EdTech			South Africa

1. Platform building

One playbook for investors and operators is scaling through the acquisition of multiple assets to build out a platform. Platforms supported by financial sponsors lead to scale benefits and bring professionalization to what are often family-run businesses.

The acquisition of an anchor asset can often build strong teams. Platforms can then invest in robust analysis of local demand-supply dynamics to inform decisions on capacity and pricing. Platforms can also support operators to achieve economies of scale, optimize EBITDA margins and enable a coordinated approach to student acquisition. A platform strategy helps providers expand their geographic footprints and de-risks the business through geographic diversification.

Actis, for example, launched a major pan-African higher education initiative, Honoris United Universities, in 2017.²¹ It currently has nearly 60 campuses across 10 universities in nine countries across Africa with ~32,000 students. The network brings together tertiary education institutions across South and North Africa offering French and English degrees through both on-campus and distance learning. Honoris also leverages partnerships with ~60 universities across the United States and Europe. Actis has invested an estimated \$275 million in building the platform.

Similarly, KMR Holdings is a French-language, multidisciplinary private higher education network based in Morocco and Senegal.²² It has three campuses and about 8,000 students. Leading African private equity firms Development Partners International (DPI) and Mediterranean Capital Partners (MCP) are stakeholders in KMR. Helios also invested in KMR in 2018.

2. Global brands and branch campuses

Global brands are expanding to Africa through university campuses. These give a global provider access to the continent's growing education market, while helping plug shortages in supply and quality.

Lancaster University partnered with Transnational Academic Group (TAG)²³ to open the first British university branch campus in Ghana in 2013. The Accra-based institution gives students access to a variety of undergraduate and postgraduate programs taught by local and international faculty from Lancaster in the UK.

Given the growth potential and demand for quality education in the continent, there is an increasing interest from French higher education operators to tap the market in Francophone Africa through acquisitions or sourcing partnerships and pathways.²⁴

Similarly, global higher education company Laureate International Universities acquired University International Casablanca in 2010²⁵ (since acquired by KMR in 2018²⁶), while United States-based Online Program Management (OPM) provider 2U's acquisition of GetSmarter in 2017²⁷ reflects the presence of global education operators on the continent.

3. Local consolidation and geographic diversification across Africa

Large local operators such as ADvTECH, Curro and Stadio are continuing to consolidate in local African markets. These providers are diversifying into other regions and countries within Africa, scaling through the acquisition of multiple education companies across subsectors. This strategy is primarily aimed at growing an operator's geographic footprint, and also confers benefits in terms of expanded scale and better student acquisition practices.

For example, ADvTECH, the largest private higher education company in South Africa, has grown through this type of regional expansion. The Johannesburg-listed company bought a 51% stake in the University of Africa, a private distance-learning university based in Zambia, in 2017. More recently, the company announced a further expansion into Kenya and Uganda and added nine schools, five campuses, boarding facilities and approximately 4,100 students to its portfolio. This includes the purchase of the Makini group of schools in Kenya (managed by Scholé). The company also supported the expansion of another South Africa-based school brand, Crawford Schools, into Kenya last year.

ADvTECH's expansion strategy is supported by a \$22 million investment from the International Finance Corporation in 2016.²⁸ The company plans to further diversify geographically and generate about 30% of its revenue from other countries in sub-Saharan Africa.

4. Innovation driving venture capital investment

Globally, education is seeing an increasing interplay between technology and education, and Africa is no exception. The potential of technology is found not just in expanding access exponentially but also in ensuring convenience of education for working adults who lack degree qualifications. Given the demand-supply imbalance in tertiary education, African education could see faster growth of technology-embedded learning versus other emerging markets.

Moreover, the challenges facing the education sector in Africa — which has a largely rural and poor populace, highly varied

governance and regulation between countries, rapidly changing economies, and diversity in linguistic and ethnic practices — also make it a hotbed of innovation. Private operators address the unique challenges of operating in the region by developing similarly unique business and delivery models that utilize technology. These innovations in operating models are not confined to Africa alone and can be leveraged within education internationally, and their lessons can also be applied to other sectors.

This replicability has made these innovative offerings the object of venture capital interest, attracting investments from global and local funds.

One example is Andela, which helps young people become software developers through a four-year program, during which they receive six months of intensive training and then commit to

three and a half years as remote workers for global technology companies. In 2016, Andela received \$24 million from the Chan Zuckerberg Initiative, a fund set up by Facebook's founder and his wife.²⁹ Other investors in the company include Spark Capital, IFC, Omidyar Network, Learn Capital and CRE Ventures. Similarly, Kenya-based Eneza Education provides web, SMS and Android-based supplementary education offerings, including lessons, quizzes and discussions, to nearly 5 million online learners. Gebeya Inc., an Ethiopian company that serves as a provider of IT talent in Africa, has about 4,000 software developers in its network.

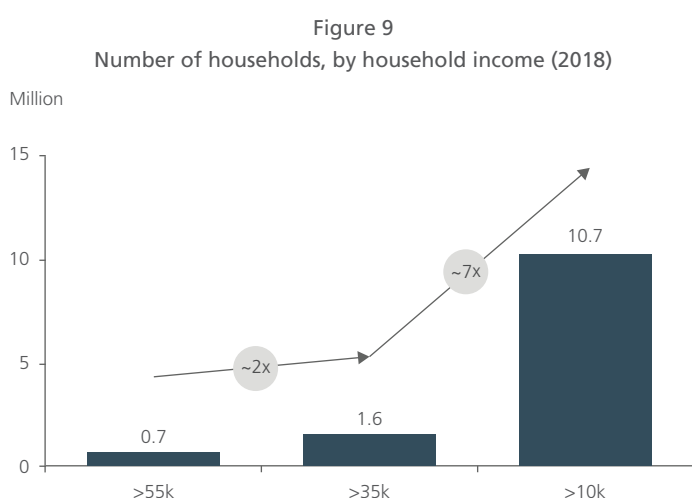
Additionally, there are many platforms in the supplementary K-12 space, such as South Africa-based Siyavula and Student Hub, Nigeria-based Tuteria and Prepclass, Uganda-based BrainShare, and Kenya-based M-Shule and Eneza, that are in different stages of solving needs for students, teachers and parents.³⁰



On the horizon: emerging opportunities for investors and operators

Four high-potential opportunities

Within the context of significant untapped potential and growing demand in Africa, four opportunity areas are likely to have high potential in the medium to long term; these include (1) mid-price / budget schools, (2) working adults, (3) supplementary education and (4) education technology.³¹



Note: Includes Lagos, Luanda, Abuja, Accra, Cairo, Cape Town, Pretoria, Addis Ababa, Durban, Nairobi, Casablanca, Johannesburg, Kampala, Dar es Salaam, Ibadan, Mombasa, Kumasi, Rabat and Tunis; assuming an average spend on education at 10% of annual disposable household income

1. Mid-price / budget schools

Premium school businesses continue to demonstrate steady growth and high operating margins and are typically resilient to economic volatility. However, the market remains fragmented, and the addressable market is often limited to the top income tier of the population in high-growth urban centers.

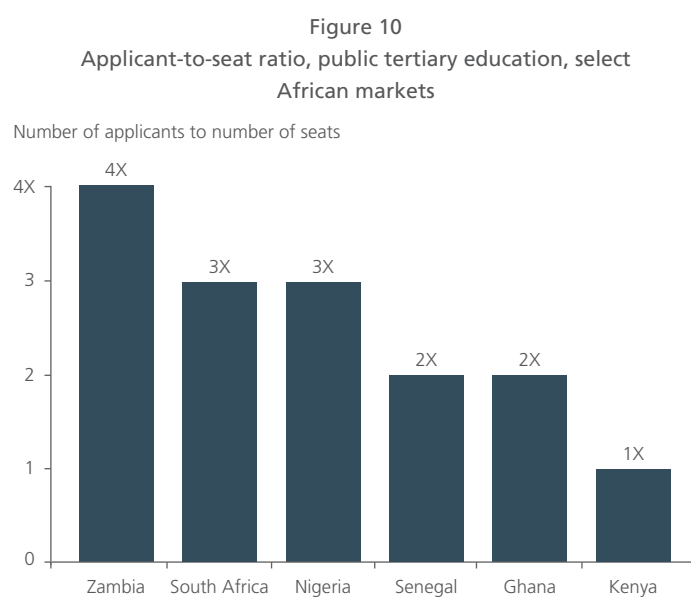
The mid-price / budget K-12 offering, on the other hand, continues to command significant demand by reaching a different affordability cohort (see figure 9). Operators could drive value in mid-price and budget K-12 schools by focusing on these aspects of the business model:

- **Teacher supply:** There is a shortage of quality teachers in Africa, and an innovative solution to address this problem is to hire relatively inexperienced teachers and then control for variance by introducing technology.
- **Technology:** Technology is often leveraged to equip relatively inexperienced teachers to follow a well-defined and codified curriculum supplemented with assessments.

- **Infrastructure:** Another way to lower costs is for operators to keep infrastructure spending low. By steering clear of flashy campuses and investment in expensive facilities such as football fields, schools can lower both capex and opex and in turn become more affordable. These schools do not have to forgo the use of specialized facilities altogether; sharing or renting facilities is one way to provide a holistic offering at a dialed-down cost.
- **Academic Outcomes:** While there is little differentiation in this market currently, a very strong focus on outcomes would help operators drive value. In markets like India and Brazil, where university admissions are competitive, there are examples of scale-budget and mid-price K-12 education chains focusing on outcomes-based education, such as Sri Chaitanya and Narayana in India, and Pensi and Elite in Brazil. Select examples in Africa include Nova Pioneer, Enko Education and Spark Schools.

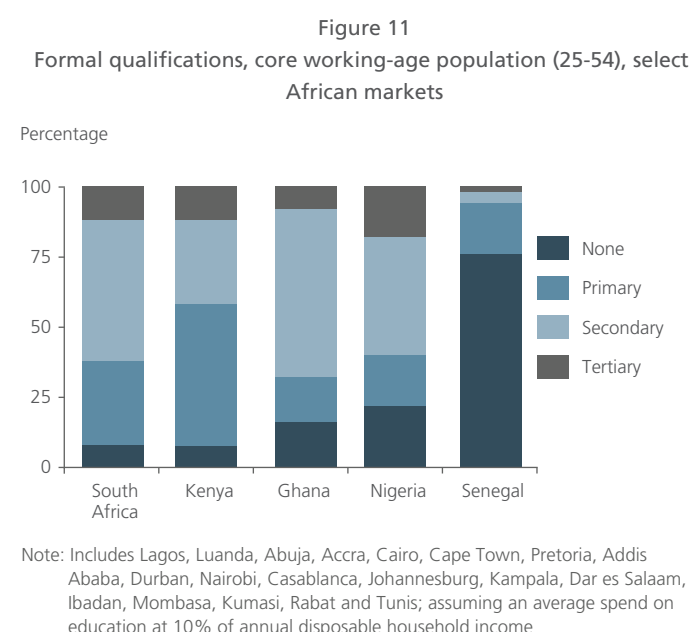
2. Working adults

There is significant demand for postsecondary and tertiary education, given low gross enrollment ratios. Demand for skilling far exceeds supply, with the applicant-to-seat ratio in some African countries as high as three to four times the number of applicants for each available seat (see figure 10).



Note: Includes Lagos, Luanda, Abuja, Accra, Cairo, Cape Town, Pretoria, Addis Ababa, Durban, Nairobi, Casablanca, Johannesburg, Kampala, Dar es Salaam, Ibadan, Mombasa, Kumasi, Rabat and Tunis; assuming an average spend on education at 10% of annual disposable household income

In addition to a traditional high school leavers, there is a sizable opportunity in Africa to attract working adults back to higher education and non-degree skilling. The market opportunity for adult education is considerable, given that less than 20% of the working-age population in major African markets, such as South Africa, Senegal, Kenya, Nigeria and Ghana, holds a tertiary degree (see figure 11).³²

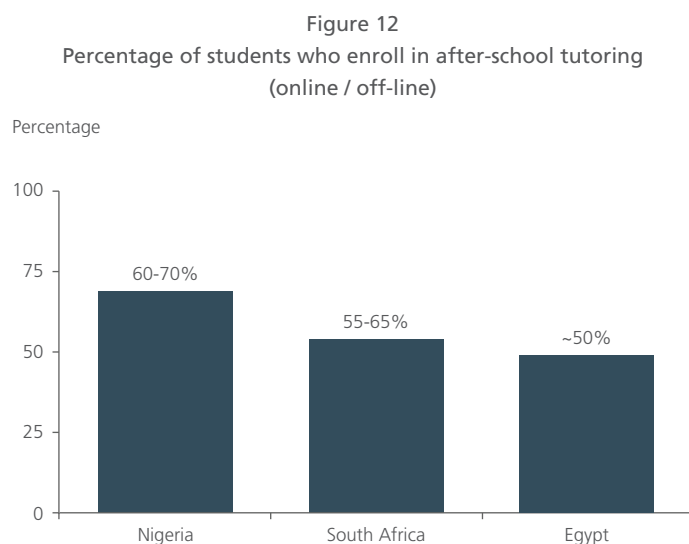


To tap into this unmet demand, providers can offer distance learning, online programs, skilling initiatives, and technical and vocational education and training (TVET). The opportunity in digital skilling alone is estimated at \$130 billion through 2030 in sub-Saharan Africa.³³

3. Supplementary education

Given the poor quality of public education provision, there is a large addressable market for after-school tutoring and other supplementary education, with moderate to high demand driven by the willingness of affluent parents to invest in ancillary education services.

A large proportion of students (50-60%) enroll in some form of after-school tutoring in large markets like Egypt, South Africa and Nigeria (see figure 12). Models are emerging to meet various kinds of consumer demand, from traditional brick-and-mortar providers like Kumon, a private tutoring provider operating through a



franchise model, to hybrid education companies such as Green Shoots to fully online offerings like Tyro, an Egyptian startup that connects students with qualified instructors through one-on-one online sessions.

Unlike other regions, such as China or Latin America, Africa has a greater prevalence of English-medium education, especially in private schools. There are opportunities for English-medium supplementary education providers with an Edtech product to pursue a business-to-consumer opportunity in the region.

4. Education technology

Technology and tech-based startups receive significant traction in Africa, with startups raising a record \$725.6 million in 2018.³⁴ Technology is playing an integral role in the education sector globally, and given the issues around access and quality in Africa and an emergence of technology startups on the continent, there is a greater role that technology can play in African education.

While developed markets have traditionally seen scale business-to-business models, emerging markets have seen potential in the business-to-consumer space, with several large EdTech providers emerging in the supplementary education space and achieving high valuations — for example, BYJU's in India, VIPKid in China, and Stoodi and Viamaker in Latin America.

Edtech models will likely have strong potential in sectors such as language learning, supplementary content, classroom tools and content, and test preparation.

The African education opportunity must be assessed at city level

Africa is heterogeneous, and every region has its own nuances. Investors in Africa should therefore approach their strategy from

a regional perspective and then further break this down at the city level (see figure 13)³⁵. A large part of Africa's addressable education market (a proxy for the profit pool available to investors) is concentrated in its 15-20 cities (see figure 14)³⁶.

Figure 13
Households with disposable income over \$5,000 residing in selected African cities (2018)

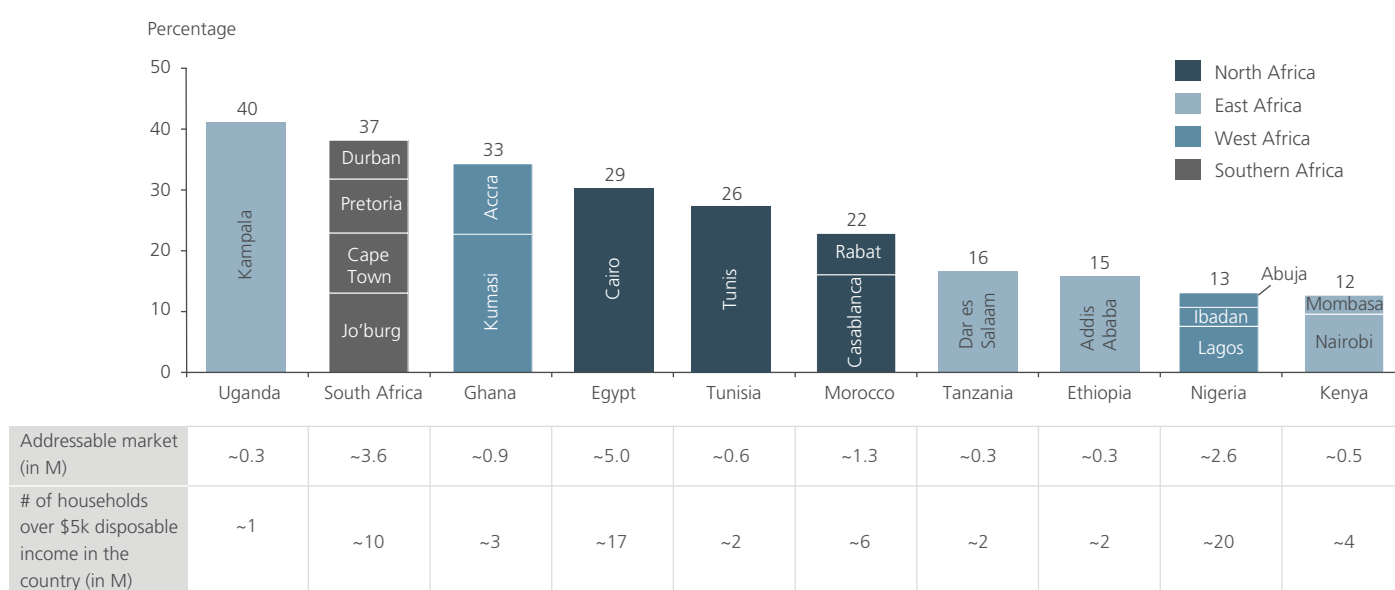
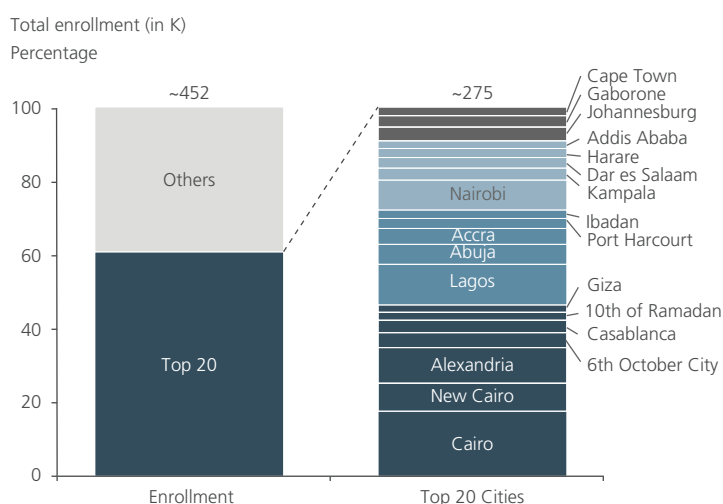


Figure 14
Enrollment in international schools in Africa, select cities (2018-2019)



- The concentration of the market in these cities is driven by the concentration of relevant income groups in these cities.
- Moreover, the expat population in Africa is concentrated in these cities, further driving the demand for international schools.

Value creation levers for investors and consolidators

The private education market has significant demand and favorable business model characteristics. In Africa, the education sector is highly fragmented, with a significant opportunity for consolidation and subsequent value creation.

There are four principal levers education investors can use to create value in Africa post-acquisition:



Pricing

Investors can add value by optimizing pricing through detailed understanding of local demand-supply dynamics and competitive differentiation.



Student acquisition

Investors can help run professional student acquisition services by collating a platform operator's student acquisition efforts into one central, efficient function. This includes robust lead tracking and conversion, as well as appropriate academic touch points with prospective parents to communicate value.



Customer communication, satisfaction and advocacy

Word of mouth from family and friends is the biggest source of leads in most education businesses. Private sector operators can run frequent customer satisfaction surveys, opening up a channel of communication between an education provider and the parents paying for the company's services, while also giving parents a forum to advocate changes or improvements to the provider's offerings.



Linkage with employers

Private-sector operators can act as a vital go-between for corporations and educational institutions, ensuring that employers have a pipeline of qualified talent, and improving employability for graduating students, thereby driving reputation.



Conclusion

Africa has a range of fundamental drivers in place that will fuel the growth of a variety of consumer-oriented businesses. The continent has also demonstrated significant investment potential and activity and is now gaining global prominence due to the growth of international businesses and foreign investments.

Given its economic and demographic trajectory, Africa is expected to continue to offer substantial opportunities for investors and operators in education. The continent is a fundamentally attractive

region for the education sector given lower latent levels of attainment and increasing private penetration. These, alongside Africa's economic and demographic trajectory, are expected to provide strong tailwinds for growth.

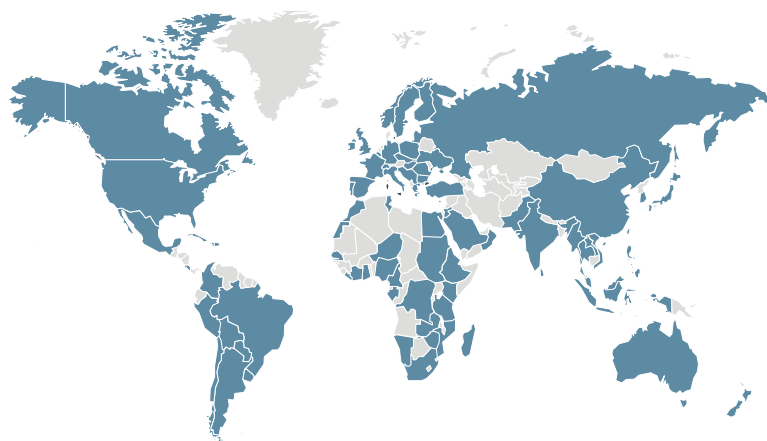
There are healthy demand drivers for the education sector, but regional variations will be important in considering strategy, with every segment offering a different set of opportunities. Successful investors and operators will carefully craft their strategy in terms of target segments, geographic presence, and value creation levers.



About the Global Education Practice

The L.E.K. Global Education practice (GEP) is a specialist international team whose members bring experience in more than 650 education sector engagements across more than 90 countries. This dedicated group of 50-plus consultants and five partners and principals is based in Singapore and serves a global client base from China to Chile. Our experts bring insights on education businesses, investment opportunities, market dynamics and impact across education subsectors from K-12 to Edtech. GEP leaders bring experience serving CXOs and boards of some of the

world's largest education sector businesses and advising on most major deals over \$200 million since 2010. L.E.K. brings nearly a decade of experience serving clients in Africa across 20 countries, including education operators, investors, and social impact organizations. The team has developed deep insights on the African education landscape and opportunities through extensive on-ground project experience spanning North, Southern, East, and West Africa.



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