

ANSU STRATEGY

Ahead of the curve

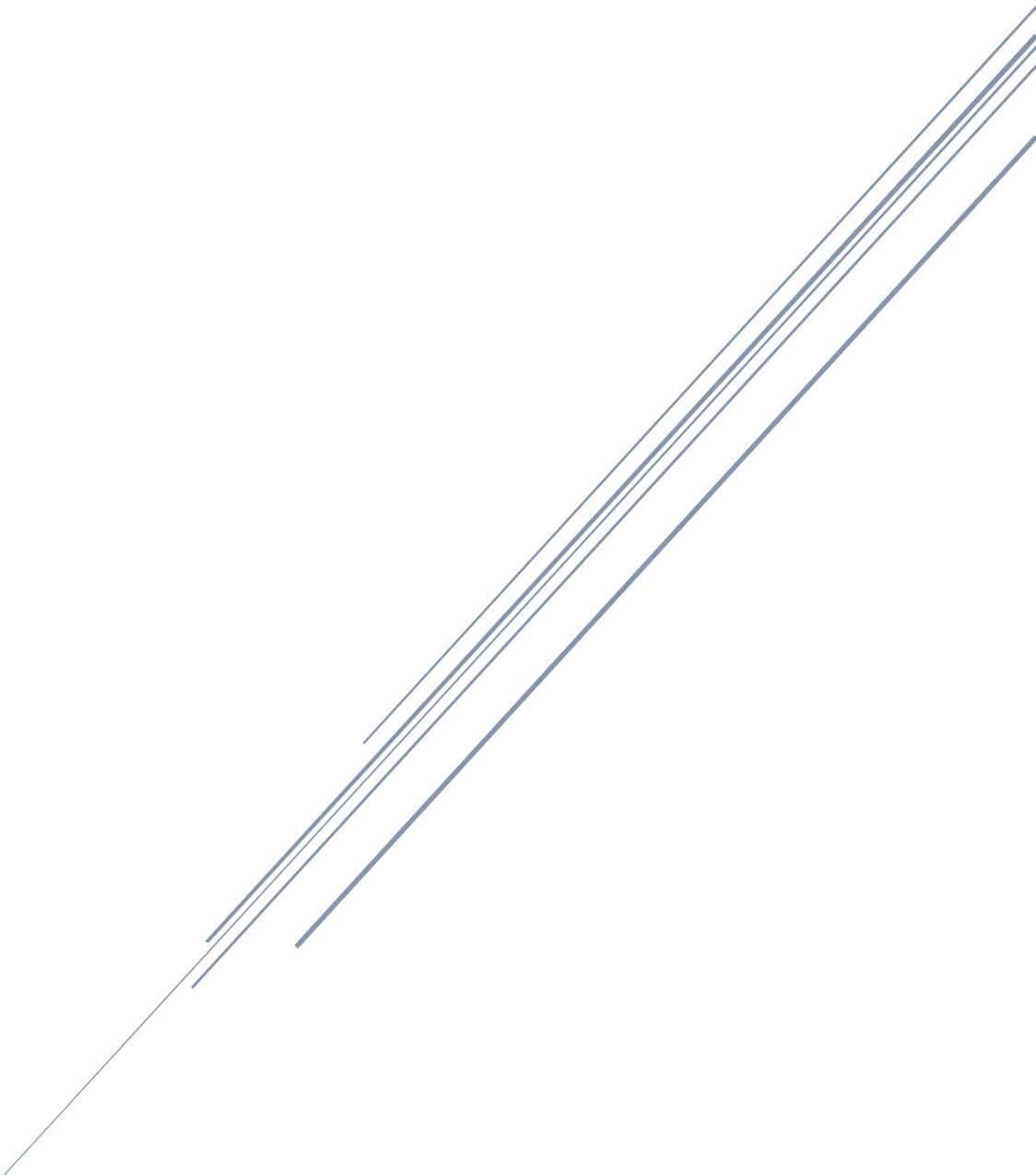


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1. Executive Summary

Headquartered in London, England Ansu is a young and dynamic e-commerce company currently operating in Somalia. Ansu utilizes a marketplace model by giving customers access to multiple sellers and brands under one platform. From high-end luxury items imported from London and Paris to natural and wholesome products produced locally, our customers can find what they are looking for in the comfort of their homes. Today, Ansu sells everything from smartphones to cosmetics to nutritional supplements. With over 15,000 genuine branded products on our platform, we continue to expand our catalogue.

Ansu combines a passion for client Satisfaction, Technology Innovation, and Business Management Intelligence through Analytics, Software Solutions, and latest tech engineer tech stack Ansu helps customers to do business better by leveraging our industry-wide experience, deep technology expertise, comprehensive portfolio of services, and vertically aligned business model.

We are a software & systems integration company specializing in developing low-latency systems and integration solutions in the Finance, and Energy industries. We also offer technical and project management consultancy.

2. Strategy

Offering the widest range of products and largest coverage in terms of deliverability. The largest internet retailer in Somalia offers tens of thousands of products. The wide range of products Ansu offers has earned the slogan anytime anywhere.

Using a customer-friendly interface (Ansu APP). Ansu has an advanced interface that integrates personalized recommendations and recent browsing history. The ever-improving user interface is the result of the company's focus to become Africa's most customer-centric company.

Scaling easily from small to large. Ansu has experience and competence in scaling from small to large. This factor plays an instrumental role in exploring new business segments. Scaling from small to large will allow the online retail behemoth to disrupt an increasing range of industries such as retail and transportation (logistics)

Exploiting affiliate products and resources. Up to date, Ansu has taken full advantage of affiliate programs, products, and resources to contribute to the bottom line of the business.

Ansu's marketing strategy integrates several targeted online marketing channels, such as social and online advertising, television advertising, and other initiatives.

2.1. Mutual Goals

As with any marketing initiative, the first step in successfully executing a partner marketing strategy is to articulate your goals and define the key metrics you need to track to understand whether or not you're hitting those goals.



The marketing goals of Ansu are specific, measurable, attainable, realistic, and timely. For Ansu, our goal is simply to be the leading e-commerce platform in the horn of Africa, but as Ansu's business scales, our partner marketing activities might develop into shared lead generation and revenue streams. What's important is that both partners are aligned on marketing goals; when you're both working toward the same thing, our strategies will be that much more effective. Ansu ecosystem.

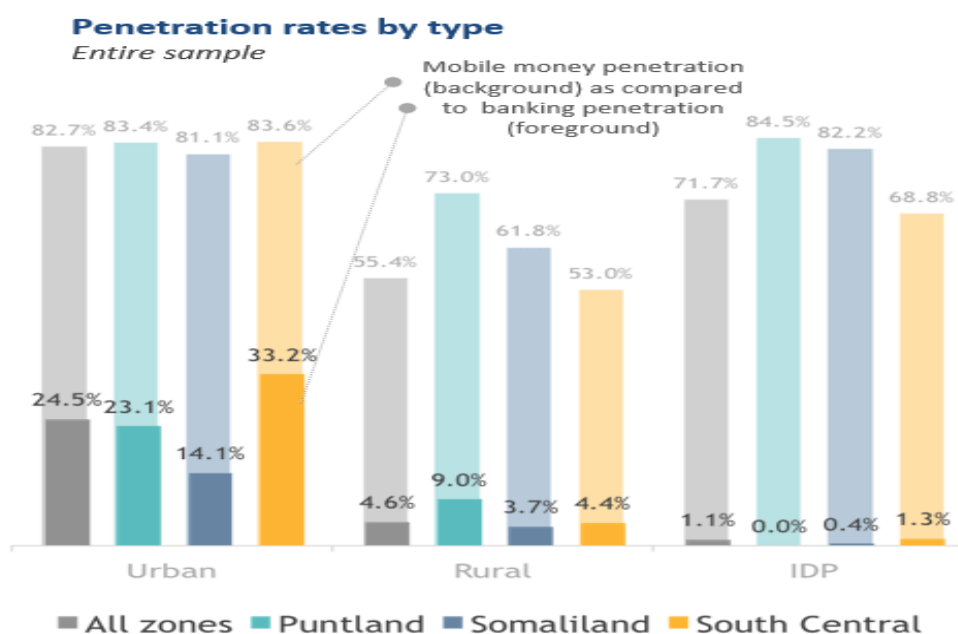
2.2. Our goals

Helping customers by providing the world's most simplified best quality solutions & delivering value that enables businesses to achieve their full potential in a cost-effective and timely fashion.



- Help Achieving Full Potential
- Simplified Quality Solutions
- Cost Effective Approach
- Timed Delivery

2.3. E-economy



E-Banking is a branch of E-Commerce that deals with the implementation of Information and Communication Technology in Business Financial Management. E-banking has come a very long way with billions spent on the preparation of technological change just to make banking

services accessible to their customers from anywhere, at any time with just a click of the mouse.

"E-commerce offers a level playing ground for large businesses, as well as small and medium-scale enterprises (SMEs) to operate in the global marketplace; and for regional businesses and communities to participate in social, economic, and cultural networks seamlessly across international boundaries.

E-banking is a remote delivery channel for banking services ranging from opening an account and transferring funds to the more complex form of online transactions like financial product sales, insurance, and brokerage to bill payments and direct debits.

Making payments for goods and services in cash or non-cash forms as well as depositing money in financial institutions and managing these resources is an inherent constituent of economic life. Banks serve as important intermediates. In recent years, with the development of technologies and techniques, options for communication with banks are expanding for clients.

How the E-commerce Effect Has Changed the Financial Industry.



In recent years, Amazon has consistently remained one of the biggest brands and companies in the world. Its business model has tremendously shifted consumers' behaviours and expectations across all industries, including the banking and financial industry.

E-Commerce platforms like Apple Pay, Google, and eBay have expanded the digital marketplace and created immediate-response environments that consumers now tend to favour. The reliability and accessibility integrated into Amazon's business model have made clients expect instant gratification when completing transactions, and they expect service to be available at times that are convenient and flexible, adhering to their personal and professional lives

3. ANSUPAY

Given the nature and business model, Ansu has adopted it was and will be inevitable to create a payment system that caters to all. It's widely accepted that sub-Saharan Africa is under-banked in the traditional sense, however, the adoption of E-money or mobile banking in an informal system tends to cater to the many. ANSUPAY is a payment system designed and implemented by Ansu, in short, will ensure that all types of payments can be accepted within the platform e.g. edahab, evc, somnet, Zaad, and Golis bank transfer all major banks and international swift payment system credit cards master visa, etc.

E-commerce Africa

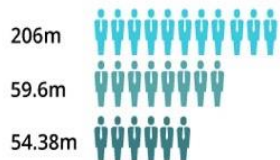
E-commerce predicted growth rate in Africa



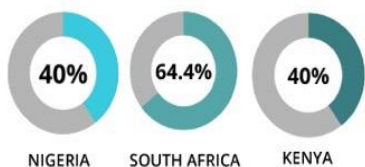
It's common for people in the West to have a simple view of Africa as an impoverished continent, where anything that is not strictly necessary – like online shopping – is a luxury for a tiny elite. The reality, of course, is much more complex. Africa is a continent filled with opportunity. Potential investors and international corporates need a reliable, on-the-ground financial services partner who understands the unique challenges and regulatory frameworks of doing business in Africa. Ansu is the solution.

E-COMMERCE GROWTH IN KEY AFRICAN MARKETS

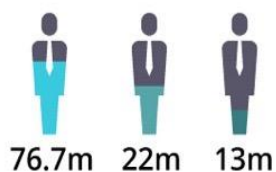
POPULATION



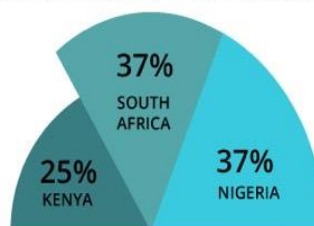
INTERNET PENETRATION



NO OF ONLINE SHOPPERS



E-COMMERCE PENETRATION



Source: PayU, Statista, Worldometers 2021



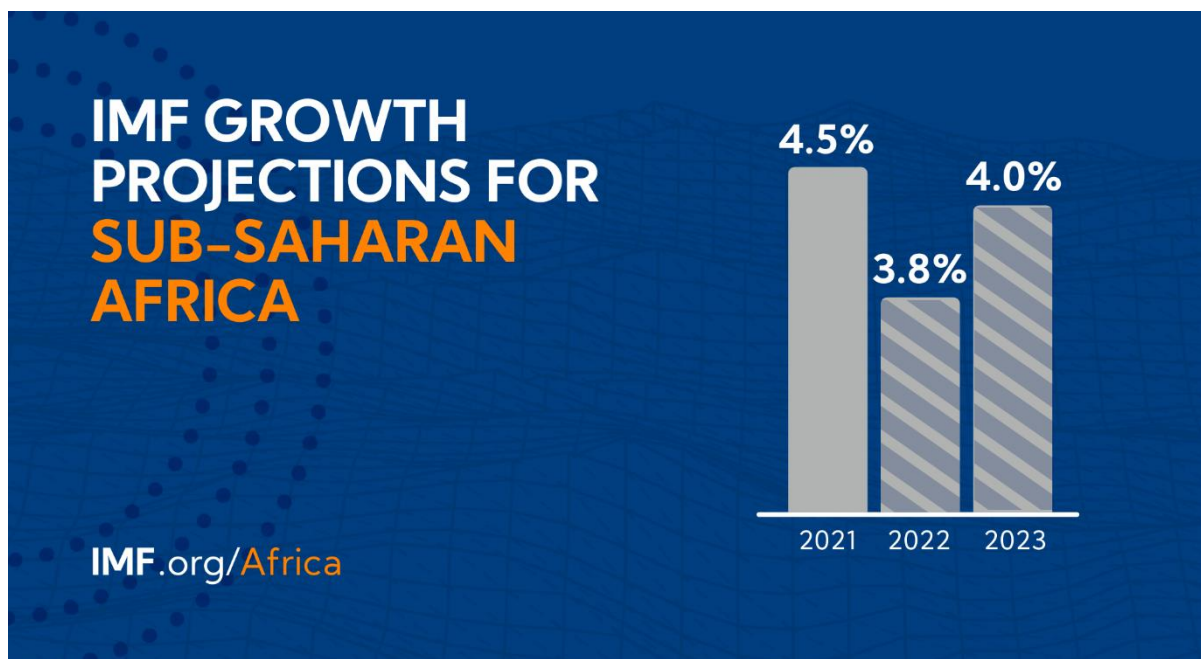


Figure 1 <https://www.imf.org/en/Publications/REO/SSA/Issues/2022/04/28/regional-economic-outlook-for-sub-saharan-africa-april-2022>

Africa has a young population, fast-growing cities and rapidly increasing disposable income. It is home to 54 countries, each at its stage of economic development. Africa's most populous country, Nigeria, also has the largest economy, ahead of many developed countries including Ireland, Israel, and Norway.

Online retail revenue in Africa is estimated at around \$25 billion annually, which is only 3.5% of total retail sales. This puts online sales for the whole of Africa at a lower level than in Australia. But Africa's population, at 1.35 billion, is on par with China. Unlike China, Africa's population is growing fast, so the demographics will remain skewed toward younger people for decades to come.

This means that Africa has all the components for rapid expansion both in its overall economy and in e-commerce. It will take several years for it to overtake the likes of China, the US, and Japan, but the African e-commerce market of the future could be the largest in the world.

African online retail has been growing fast in recent years and this trend is forecasted to continue. Several factors are contributing to this impressive growth. Africa has the youngest and second largest population in the world. ... Various digital payments are becoming more widespread in African countries

The largest online marketplaces in Africa

JUMIA

With a mission statement and ethos for connecting African consumers and entrepreneurs to do better business together, Jumia is blazing the trail of e-commerce sites in Africa.

The company is creating a platform where small, medium, and large African companies link with their potential market, thus creating a new-age ecosystem that bypasses the middleman.

Launched in 2012 in Nigeria, the site has solidified a footprint in over 23 African countries, with a network of over half a million sellers since its inception. Jumia has managed to create a stellar reputation for being a hub for products and services spanning the retail, food and hospitality, talent recruitment, concierge, and hotel and catering industries. Apart from servicing the needs of consumers and businesses, Jumia has also been upskilling and aiding employment for many Africans who are qualified in areas such as Engineering, IT, and online marketing and web development.

TAKEALOT

South Africa's Takealot is the go-to online retailer for the shopper that seeks a convenient and simplified online buying and user experience. The site has been around for over a decade, having been established in the year 2002. Its broad catalog and variety of products in entertainment give it an impressionable edge. Customers can shop for anything from books to games, computers, and TVs.

Part of what makes Takealot an e-commerce success story is that the online retailer strives to provide its customers with the very latest products in the market, coupled with up-to-date product specification.

In April 2017, Takealot scored a significant investment of over US \$69 million from Naspers, one of Africa's biggest digital companies. This came after the online retailer received a US \$100 million investment from investment firm Tiger Global Management in 2014. Naspers boasts a 53.5% stake in Takealot, while Tiger Global owns about 34%.

KILIMALL

Kenya's largest online shopping mall, Kilimall is relatively new in the e-commerce space but has remarkably managed to create an inter-continental mark since its launch in 2014. The site, now established in other countries such as Nigeria and Uganda, has a retail customer base that continues to boom.

Kilimall is known for providing electronics such as phones, computers, and gadgets, stocking top brands such as Samsung, Huawei, Lenovo, and Phillips. The site also offers other products such as home appliances, clothes, books, health and beauty products, and more. All its services are accompanied by a 7-day free return policy on its premium range of goods, making it an attractive choice for consumers.

KONGA

Konga has come a long way since its humble beginnings in 2012 as a Lagos-only e-commerce site that specialised in baby and beauty care. The online platform has morphed into a major

online retailer, often dubbed “The Amazon of Africa.” In 2015, Konga joined forces with leading Nigerian banks to launch kongapay, a safe and convenient online payment method to tackle the issue of trust in Africa when it came to online payments.

The online marketplace was one of the first in Africa to create a system of payment that was integrated with world banks – an innovation that uses a click system that eliminated the sharing of sensitive information during payments.

With backing from the South African media giant, Naspers, Konga is now a major player in the e-commerce space. In 2014, Naspers, which has a 50% stake in Konga, invested US \$50 million in the online store.

(<https://www.imf.org/en/Publications/REO/SSA/Issues/2022/04/28/regional-economic-outlook-for-sub-saharan-africa-april-2022>)

How much progress has the industry made?

In 2020, the African e-commerce market was estimated to be worth \$20 billion, and between 2014 to 2018, the number of online shoppers on the continent increased annually, at an average growth rate of 18%, higher than the global average of 12%. In 2024 African e-commerce is estimated to reach above \$40 billion a year.

The e-commerce industry is a powerful driver of development in the African economy, positively impacting sellers, buyers, and the market in general. E-commerce is eroding the geographical walls that once limited trade between parties on different continents.

For sellers, they can now expand their geographical reach to target more customers, while buyers now have more options to choose from. Having more options means that they can get more value for their purchases and shop as it suits their convenience. The industry has seen growth driven by the likes of Jumia, Konga, Takealot, Kilimall, and other players.

The pandemic has also contributed to the growth of the industry. The resulting lockdowns caused a surge in the use of e-commerce platforms as it meant that online shopping became more of a necessity than a preference. This has resulted in a corresponding increase in digital and economic transformation. <https://techcabal.com/2021/09/10/what-will-it-take-to-build-the-future-of-e-commerce-in-africa/#:~:text=How%20much%20progress%20has%20the,the%20global%20average%20of%2012%25>

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4. Conclusion

The current growth trajectory of e-commerce on the continent is burdened primarily by issues around logistics, internet penetration, payments, regulation, and consumer trust.

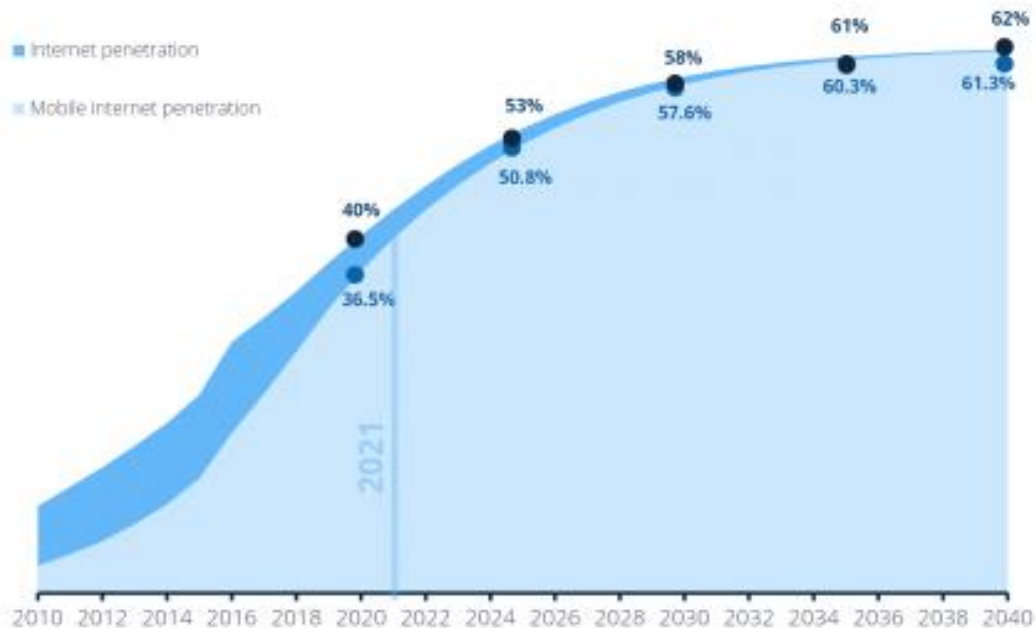
Efficient last-mile delivery is hindered by the paucity of functioning transport networks, which results in delayed deliveries; as well as the poor naming and numbering of streets which results in shipping errors. These factors limit the efficiency of intra-national and international trade.

E-commerce is also nothing without payment gateways and solutions. By 2019, 57% of Africa's adult population was underbanked, and even though fintech companies consistently churn out payment solutions in a bid to cater to the needs of consumers, cash on delivery (CoD) remains a fan favorite where payment is concerned.

Cash is tangible, and to a lot of consumers, more trustworthy. However, CoD comes with a high amount of risk, both for merchants and delivery agents. This means that the problem is not necessarily about increasing the availability of safe and convenient digital payment solutions, but rather increasing adoption.

What about internet penetration? In 2020, only 28% of African households in urban areas had access to the internet. This may be due to the high cost of internet data in some African countries, and even the cost of smartphones.

For penetration rates to reach their potential, high smartphone costs need to be addressed. Ensuring there are no tariffs on smartphones, especially on more affordable models, will help individuals in villages to afford the technology, this will encourage more people to migrate from traditional mobiles to smartphones, thus increasing internet access and penetration. GSMA estimates that mobile internet users in Africa will increase to **475m by 2025, nearly double the 272m users in 2019**, but to meet these estimates, these limiting factors have to be addressed first.



<https://www.trade.gov/rise-e-commerce-africa>

In the future of commerce, stakeholders in e-commerce, payments, and logistics will discuss the biggest growth indicators for commerce on the continent and the major shifts coming to how we buy and sell.

How can we build the future?

Charting a path forward for commerce must take into consideration improvements in connectivity, logistics, and payments.

Ansu is an African solution for the African e-commerce gap.