



With the support of  **USAID**
FROM THE AMERICAN PEOPLE

Building an African digital social retailer for a better economic and social impact of remittances in Africa

Grant N° AID-OAA-F-14-00016
Update and Project Implementation Plan
May 23, 2014

Executive Summary

- Launched in July 2012, Niokobok has generated \$865 of sales in 2012 and \$45,000 in 2013. 400 families (~3,500 individuals) have benefited from our service.
- **Our focus is allowing the Senegalese diaspora to order basic food for families back home** (70% of sales to dates). We have also generated revenue from sales of solar equipment ordered by the diaspora and from sales to local residents (grocery and solar)
- On our core segment (grocery ordered online by the diaspora), we currently have 237 accounts on the website and 104 active customers. **Average basket is \$115. Retention is high: 60% of our customers are repeat and 40% have purchased four times or more.**
- Marketing: with very limited investments (~\$3,000 cumulated), we got first results on digital channels, **mainly Facebook Ads**. Next step is to **professionalize our approach to lower current acquisition cost (\$50) and build robust metrics**. We expect **significant progress on this by August 2014**. Religious events (Ramadan, Aïd, Christmas...) are a key window for customer acquisition
- Product: A recent survey showed a **strong demand for other product categories**, from home equipment to electronic services (e.g.; payment of utility bills)
- Supply chain: Supply chain on our main category (grocery) is still rough, with deliveries done with personal vehicle / taxis. Small Distribution Unit #1 to be set up by Q4 2014
- HR: Current team is 4, including 2 interns
- Finance: Gross Margin on FY 2013 is 18%. Current cash burn rate is \$1,000 - \$2,000, with positive cash flow situation (\$20,000). We expect a seed funding round of \$200,000 – 400,000 by Dec. 2014



SALES: Niokobok has generated \$65,185 revenue as of April 2014 - 70% coming from grocery ordered by diaspora

	2012	Jan. 13	Feb. 13	March 13	April 13	May 13	June 13	July 13	Aug. 13	Sept. 13	Oct. 13	Nov. 13	Dec. 13	Jan. 14	Feb. 14	March 14	April 14	TOTAL
TOTAL	918	314	1,174	2,017	3,253	7,072	5,870	7,177	3,279	1,579	6,508	3,463	5,787	6,408	3,302	3,808	3,234	65,109
Grocery diaspora	918	314	1,174	604	669	1,049	1,831	4,050	3,143	1,579	6,453	3,463	5,787	3,960	3,302	3,808	3,234	45,337
Solar diaspora					2,584		4,039	2,923						2,448				11,994
Grocery / solar non diaspora				1,413		6,023		204	136									7,778

Sales Projections

	June 14	July 14	Aug. 14	Sept. 14	Oct. 14	Nov. 14	Dec.. 14	Jan. 15	Feb.. 15	Mar. 15	Apr. 15	May 15	June 15	July 15	Aug. 15	Sept. 15	Oct. 15	Nov. 15	Dec. 15	Jan. 16	Feb. 16	Mar. 16	Apr. 16	May. 16
Orders food diaspora	40	55	61	67	73	81	89	104	114	126	138	152	167	184	203	233	268	308	339	373	410	431	452	475
Revenue	4,453	5,625	6,086	6,589	7,140	7,742	8,401	9,614	10,453	11,371	12,377	13,479	14,688	16,012	17,465	19,818	22,515	25,608	28,000	30,626	33,508	35,135	36,841	38,631
<i>Revenue food diaspora</i>	3,000	4,125	4,538	4,991	5,490	6,039	6,643	7,800	8,580	9,438	10,382	11,420	12,562	13,818	15,200	17,480	20,102	23,117	25,429	27,972	30,769	32,308	33,923	35,619
<i>Revenue solar diaspora</i>	1,453	1,500	1,548	1,598	1,650	1,703	1,758	1,814	1,873	1,933	1,995	2,059	2,126	2,194	2,265	2,338	2,413	2,491	2,571	2,654	2,739	2,827	2,918	3,012

IMPACT: Niokobok service has benefited to 400 families (~3,500 individuals) to date, incl. 137 from the diaspora

	Number of families impacted	Comments
TOTAL	419	
Active customers food diaspora	104	<ul style="list-style-type: none"> See detailed metrics on Dashboard
Solar Home Systems diaspora	33	<ul style="list-style-type: none"> A migrant association from Kédougou ordered us a solar \$4,000 system for a facility (mosque) for their village (conservatively estimated at 30 families) in Senegal Following this, 3 migrants individually ordered \$2,000+ solar systems for their house
Food to Senegalese residents	75	<ul style="list-style-type: none"> A local company ordered from us for employees (incentive).
Solar to Senegalese residents	207	<ul style="list-style-type: none"> Includes 200 lanterns ordered by an NGO that looked for a supplier in Senegal on the internet

DASHBOARD:

Key metrics on online grocery diaspora (as of April 14)

	July 12 – April 14	May 14	Projections 450 orders / month
Website hits	18,592	1,158	13,713
Unique visitors	13,622	672	7,958
Registered on website	227	237 (cumulated)	2,807
Ordered	104	104 (cumulated)	1,232
- Ordered once only	40	N/A	N/A
-Ordered twice	16	N/A	N/A
-Ordered 3 times	8	N/A	N/A
-Ordered 4 times or more	40	N/A	N/A
# Orders	395	#38	#450
Conversion rate	2.12 %	3.29%	3.29%
Average order	€ 84 (\$115)	€81 (\$110)	N/A

Marketing (1/5): Current priority is to better measure and lower customer acquisition cost through digital channels

Channels identified	Current status	Next steps	Estimated customer acquisition cost	Estimated % of grocery clients acquired
Facebooks Ads	<ul style="list-style-type: none"> Currently the most effective channel, even though used without the support of specialists (this will be solved thanks to DIV support) Facebook ads have an impact on sales, with customer acquisition costs estimated \$50 (NB : a Niokobok customer currently spends ~\$400 per year on the grocery store) This can be reduced We tested Facebook Ads 3 times, the best campaign was Ramadan 2013 	<ul style="list-style-type: none"> Test on a more professional way (August 2014 the latest): <ul style="list-style-type: none"> Tagging campaigns A/B tests 	\$50	~ 60%
Google Display Network	<ul style="list-style-type: none"> One test (\$300) in July 13. No direct effect identified but the campaign was not tagged, making monitoring difficult 	<ul style="list-style-type: none"> New test, tagging the campaign before Aug. 2014 	N/A	N/A

Marketing (2/5): Current priority is to better measure and lower customer acquisition cost through digital channels

Channels identified	Current status	Next steps	Estimated customer acquisition cost	Estimated % of grocery clients acquired
Google Adwords	<ul style="list-style-type: none"> Not tested yet 	<ul style="list-style-type: none"> Test before Aug. 2014 	N/A	N/A
Ads on key Senegalese media (excl. Google Display)	<ul style="list-style-type: none"> Not tested yet 	<ul style="list-style-type: none"> Test before Aug. 2014 	N/A	N/A
Digital (search engines / social networks)	<ul style="list-style-type: none"> Recent survey showed that more customers than we thought have been acquired through search engines 	<ul style="list-style-type: none"> Improve SEO (modify file names, improve product descriptions, update site map, increase backlinks) (in progress) Increase Facebooks and blog posts frequency (in progress) 	N/A	~10%

Marketing (3/5): Current priority is to better measure and lower customer acquisition cost through digital channels

Channels identified	Current status	Next steps	Estimated customer acquisition cost	Estimated % of grocery clients acquired
PR	<ul style="list-style-type: none"> An article in a leading media brings 1 – 5 new active customers 		N/A	~10%
Emailing	<ul style="list-style-type: none"> Very efficient with active customers, not tested yet on prospective clients 	<ul style="list-style-type: none"> Look for mailing lists for a test 	N/A	N/A
Retargeting	<ul style="list-style-type: none"> Not tested yet 	<ul style="list-style-type: none"> Test before August 2014 	N/A	N/A
Trade marketing	<ul style="list-style-type: none"> Not tested yet Incl. flyers, offline catalogue in emigration countries 	<ul style="list-style-type: none"> Will be tested by the International Business Development Manager We are considering testing a pop up store in Paris but this will depend on fundraising 	N/A	N/A

Marketing (4/5): Current priority is to better measure and lower customer acquisition cost through digital channels

Channels identified	Current status	Next steps	Estimated customer acquisition cost	Estimated % of grocery clients acquired
Associations	<ul style="list-style-type: none"> ▪ Migrants associations generally come from rural areas where Niokobok does not offer food delivery yet ▪ Discussions with a migrant association of ~30 members has generated \$10,000 revenue of solar systems 	<ul style="list-style-type: none"> ▪ Will be developed by International Business Development Manager 	<p>N/A for grocery</p> <p>On solar: 4 meetings with association rep, 6 months lead-time for first order</p>	0 (but results on solar)
Partnerships	<ul style="list-style-type: none"> ▪ He have not invested yet in trying to build partnerships with other players providing services to the diaspora (MVNOs...) 	<ul style="list-style-type: none"> ▪ Will be developed by International Business Development Manager 	N/A	N/A

Marketing (5/5): Current priority is to better measure and lower customer acquisition cost through digital channels

Channels identified	Current status	Next steps	Estimated customer acquisition cost	Estimated % of grocery clients acquired
Word of mouth	<ul style="list-style-type: none">80% of active customers say they would recommend our service, but previous attempts of referral schemes produced no resultsWe suspect schemes based on promotion codes were too complex (given the level of internet literacy of our customers) and are looking for more automatized solutions	<ul style="list-style-type: none">Test more automatized referral scheme (we identified the "Spread button" tool) : August 2014 the latest	0 since referral schemes did not work but we know customers came through word of mouth	20%

HR

	Current	Potential next steps
Suppliers	<ul style="list-style-type: none">▪ Laurent Liautaud, CEO▪ Moussa Diallo, Operations Manager▪ Fanta Jassi (intern), Marketing Manager▪ Mouhamadou Fall (intern), Business Development Manager	<ul style="list-style-type: none">▪ Hire Business Development Manager Dakar▪ Hire International Business Development Manager▪ Hire Warehouse Manager▪ Hire Driver

Risks

	Current	Potential next steps
Payment Fraud	<ul style="list-style-type: none">▪ 0 Payment incidents to date▪ Customers have to identify themselves (via an SMS or by confirming birth date) when paying▪ Transactions are manually checked on a dailiy basis▪ We have subscribed to the antifraud module at our payment system provider (Ogone)	
Price Volatility	<ul style="list-style-type: none">▪ Nothing to report	
Currency risk	<ul style="list-style-type: none">▪ Customers are paying in €. € and XOF (local currency) are at fixed exchange rate	

Finance

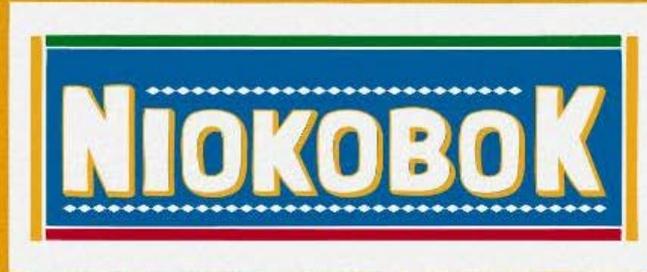
	Current	Potential next steps
Gross Profit	<ul style="list-style-type: none">▪ 18% on FY 2013	
Cash Flow Situation	<ul style="list-style-type: none">▪ + 20,000 € as of April 2014	
Cash Burn Rate	<ul style="list-style-type: none">▪ \$ 1,000 / month	
Fundraising		<ul style="list-style-type: none">▪ Seedfunding round expected by Dec. 2014

Financials (excl. in kind contributions)

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Revenue	16,164	21,472	28,468	37,227	48,165	67,941	92,134	110,607
Gross Profit (NB: COGS ~ 87% of Revenue)	2,191	2,890	3,810	4,959	6,393	8,977	12,137	14,554
IT variable (web hosting / payment systems)	566	752	996	1,303	1,204	1,699	2,303	2,765
Supply chain	9,500	3,475	2,853	2,908	3,792	3,105	3,261	3,379
<i>Warehouse (1 month)</i>	-	2,700	2 700	2 700	2 700	2 700	2 700	2 700
<i>Vehicle Purchase</i>	9,500	-	-	-	-	-	-	-
<i>Vehicle Insurance 1 year</i>	-	215	-	-	215	-	-	-
<i>Vehicle Maintenance 1 year</i>	-	450	-	-	600	-	-	-
<i>Gasoil 1 Gallon</i>	-	110	153	208	277	405	561	679
Marketing	-	10,000	4,500	6,267	1,767	1,767	-	-
<i>Test digital marketing 1</i>	-	4,500	-	-	-	-	-	-
<i>Test digital marketing 2</i>	-	-	4,500	-	-	-	-	-
<i>Test digital marketing 3</i>	-	-	-	4,500	-	-	-	-
<i>Catalogue / leaflets printing</i>	-	3,000	-	-	-	-	-	-
<i>Film</i>	-	500	-	-	-	-	-	-
<i>POS layout</i>	-	2,000	-	-	-	-	-	-
<i>Transport International Business Dev. Manager</i>	-	-	-	441	441	441	-	-
<i>Coworking space International Business Dev. Manager</i>	-	-	-	1,326	1,326	1,326	-	-
Personnel	1,320	6,495	5,295	12,795	12,795	12,795	5,295	5,295
<i>Operation manager</i>	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320
<i>Junior Business Dev. Manager</i>	-	2,175	2,175	2,175	2,175	2,175	2,175	2,175
<i>International Business Dev. Manager</i>	-	-	-	7,500	7,500	7,500	-	-
<i>Community Manager</i>	-	1 200	-	-	-	-	-	-
<i>Driver</i>	-	900	900	900	900	900	900	900
<i>Warehouse Manager</i>	-	900	900	900	900	900	900	900
Social impact assesement	6,600	-	-	-	-	-	7,900	-
Admin	616	616	616	1,439	616	616	616	2,879
<i>Bank and Payment systems</i>	375	375	375	375	375	375	375	375
<i>Liability insurance</i>	150	150	150	150	150	150	150	150
<i>Téléphone</i>	91	91	91	91	91	91	91	91
<i>CTIC incubation fee</i>	-	-	-	822	-	-	-	2,263
<i>Travel</i>	-	-	-	1,950	1,950	1,950	-	-
NET INCOME (excl. In-kind contributions)	- 16 411	- 18 448	- 10 452	- 21 703	- 15 731	- 12 954	- 7 239	236

Implementation schedule

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Supply Chain: Set up SDU #1								
Digital Marketing: Module 1								
Digital Marketing: Module 2								
Digital Marketing: Module 3								
Marketing material (catalogue, leaflets, film)								
HR: Junior Business Development Manager								
HR: International Business Development Manager								
HR: Driver								
HR: Warehouse Manager								
Social Impact Assesement								
Financing: Seed round								



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Update

November, 2014

Executive Summary

- Sales: As expected sales were lower in August (some of our customers are coming back to Senegal at that time) but were higher than planned in September and October, with 100 orders / month and \$12,000+ revenue on these 2 months. They were religious events on these months so we believe this was a high point. Average order is still higher than initially planned (\$119)
- Marketing: Acquisition cost on Facebook decreased for the two last campaigns (now at ~\$40 vs. \$50+ on the last sessions). We believe this improvement is due to the fact that the service has a broader user base, improving word of mouth and building trust. We had 140 active customers in Aug. 14 and 211 as of Nov. 15th.
- Supply chain:
 - SDU #1 (warehouse / new facilities) has been secured on a very good location
 - We keep renting vehicles to perform deliveries
- HR: We included M. Fall, formerly an intern, in an apprenticeship program with the support of the Senegalese government (who is supposed to cover 50% of his salary). We intended to hire a Business Development Manager first but realized that M. Fall contribution in Logistics / Deliveries was a priority
- Fundraising: Our incubator, CTIC, hired a consultant for a support on business plan. Though we are bit late this help was useful and we are finalizing it

SALES: Revenue was lower than projected in August, but higher in September and October, with ~100 orders / month

2014	Jan	Feb	March	April	May	June F	June	July F	July	Aug. F	Aug	Sept.F	Sept	Oct.F	Oct
TOTAL	6,408	3,302	3,808	3,234	4,181	4,453	6,494	5,625	7,578	6,086	4,425	6,589	14,178	7,140	12,464
Grocery diaspora	3,960	3,302	3,808	3,234	4,181	3,000	6,494	4,125	7,578	4,538	4,425	4991	14,178	5490	12,464
Solar diaspora	2,448	-	-	-	-	1,453	-	1,548	-	1548	-	1598	-	1650	-
Orders food diaspora	36	28	33	26	38	40	44	55	64	61	25	67	96	73	108

ANNUAL	2012	2013	2014 (10 months)	TOTAL
TOTAL	918	47,493	66,072	114,483
Grocery diaspora	918	30,116	63,624	94,658
Solar diaspora		9,546	2,448	11,994
Grocery / solar non diaspora		7,776	-	7,776
Orders food diaspora	8	264	550	822

IMPACT: Niokobok has benefited to ~500 families (~5,000 individuals) to date, incl. 211 families from the diaspora

	Number of families impacted	Comments
TOTAL	526	
Active customers food diaspora	211	<ul style="list-style-type: none"> See detailed metrics on Dashboard
Solar Home Systems diaspora	33	<ul style="list-style-type: none"> A migrant association from Kédougou ordered us a solar \$4,000 system for a facility (mosque) for their village (conservatively estimated at 30 families) in Senegal Following this, 3 migrants individually ordered \$2,000+ solar systems for their house
Food to Senegalese residents	75	<ul style="list-style-type: none"> A local company ordered from us for employees (incentive).
Solar to Senegalese residents	207	<ul style="list-style-type: none"> Includes 200 lanterns ordered by an NGO that looked for a supplier in Senegal on the internet

DASHBOARD:

Key metrics on online grocery diaspora

	July 12 – Oct 14	Aug. 2014	Sept. 2014	Oct. 2014
Website hits	38,615	1,320	2,864	3,914
Unique visitors	28,167	1,065	2,320	3,160
Registered on website	446	14	55	47
Ordered		N/A	N/A	N/A
- Ordered once	96	N/A	N/A	N/A
-Ordered twice	46	N/A	N/A	N/A
-Ordered 3 times	18	N/A	N/A	N/A
-Ordered 4 times or more	51	N/A	N/A	N/A
# Orders	#770	#169	#141	#110
Conversion rate	2.08%	2.27%	3.46%	2.55%
Average order	€88 (\$119)	€125 (\$169)	€105 (\$141)	€81,71 (\$110)

Marketing: Acquisition cost on the 2 last Facebook campaigns is lower than before

- \$1,300 spent on September and \$450 spent on October show an acquisition cost of ~\$40, compared to \$50 before
- So far our campaigns have been run during religious events
- We believe the improvement is due to a better word of mouth

HR

Current	Potential next steps
<ul style="list-style-type: none">▪ Laurent Liautaud, CEO▪ Olivia Douglas (intern), Communication and Marketing▪ Mouhamadou Fall, Logistics & Deliveries▪ Jean-Bastien Lacroix (intern), Operations▪ Guillaume Pecheur (intern), Content and digital marketing	<ul style="list-style-type: none">▪ Hire International Business Development Manager▪ Staff progressively the Small Distribution Unit

Risks: Adding Electronics on the range seem to increase payment fraud

	Current	Potential next steps
Payment Fraud	<ul style="list-style-type: none">▪ 0 Payment incidents to date.▪ However, for the first time we rejected 2 orders (1 TV and a smartphone) that seemed fraudulent (inconsistency between name and geographies of cardholder and invoicing address, impossible to get copy of IDs after we asked)	
Price Volatility	<ul style="list-style-type: none">▪ Nothing to report	
Currency risk	<ul style="list-style-type: none">▪ Customers are paying in €. € and XOF (local currency) are at fixed exchange rate	

Finance

	Current	Potential next steps
Gross Profit	<ul style="list-style-type: none">▪ 18% on FY 2013	
Cash Flow Situation	<ul style="list-style-type: none">▪ + \$ 35,000 € as of Oct. 15th. 2014	
Cash Burn Rate	<ul style="list-style-type: none">▪ \$ 2,000 / month	
Fundraising		<ul style="list-style-type: none">▪ Seedfunding round: still finalizing business plan

Financials (excl. in kind contributions)

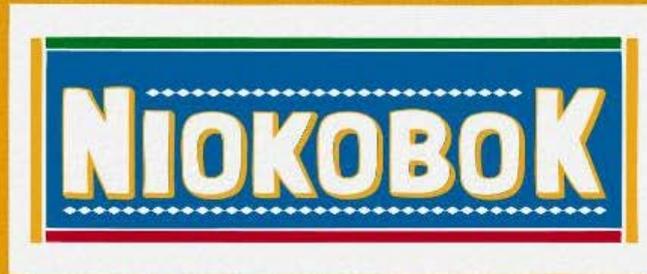
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Revenue	16,164	21,472	28,468	37,227	48,165	67,941	92,134	110,607
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IT variable (web hosting / payment systems)	566	752	996	1,303	1,204	1,699	2,303	2,765
Supply chain	9,500	3,475	2,853	2,908	3,792	3,105	3,261	3,379
<i>Warehouse (1 month)</i>	-	2,700	2 700	2 700	2 700	2 700	2 700	2 700
<i>Vehicle Purchase</i>	9,500	-	-	-	-	-	-	-
<i>Vehicle Insurance 1 year</i>	-	215	-	-	215	-	-	-
<i>Vehicle Maintenance 1 year</i>	-	450	-	-	600	-	-	-
<i>Gasoil 1 Gallon</i>	-	110	153	208	277	405	561	679
Marketing	-	10,000	4,500	6,267	1,767	1,767	-	-
<i>Test digital marketing 1</i>	-	4,500	-	-	-	-	-	-
<i>Test digital marketing 2</i>	-	-	4,500	-	-	-	-	-
<i>Test digital marketing 3</i>	-	-	-	4,500	-	-	-	-
<i>Catalogue / leaflets printing</i>	-	3,000	-	-	-	-	-	-
<i>Film</i>	-	500	-	-	-	-	-	-
<i>POS layout</i>	-	2,000	-	-	-	-	-	-
<i>Transport International Business Dev. Manager</i>	-	-	-	441	441	441	-	-
<i>Coworking space International Business Dev. Manager</i>	-	-	-	1,326	1,326	1,326	-	-
Personnel	1,320	6,495	5,295	12,795	12,795	12,795	5,295	5,295
<i>Operation manager</i>	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320
<i>Junior Business Dev. Manager</i>	-	2,175	2,175	2,175	2,175	2,175	2,175	2,175
<i>International Business Dev. Manager</i>	-	-	-	7,500	7,500	7,500	-	-
<i>Community Manager</i>	-	1 200	-	-	-	-	-	-
<i>Driver</i>	-	900	900	900	900	900	900	900
<i>Warehouse Manager</i>	-	900	900	900	900	900	900	900
Social impact assesement	6,600	-	-	-	-	-	7,900	-
Admin	616	616	616	1,439	616	616	616	2,879
<i>Bank and Payment systems</i>	375	375	375	375	375	375	375	375
<i>Liability insurance</i>	150	150	150	150	150	150	150	150
<i>Téléphone</i>	91	91	91	91	91	91	91	91
<i>CTIC incubation fee</i>	-	-	-	822	-	-	-	2,263
<i>Travel</i>	-	-	-	1,950	1,950	1,950	-	-
NET INCOME (excl. In-kind contributions)	- 16 411	- 18 448	- 10 452	- 21 703	- 15 731	- 12 954	- 7 239	236

Implementation schedule

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Supply Chain: Set up SDU #1		Green						
Digital Marketing: Module 1		Green						
Digital Marketing: Module 2			Dark Blue					
Digital Marketing: Module 3				Dark Blue				
Marketing material (catalogue, leaflets, film)		Yellow						
HR: Junior Business Development Manager		Green						
HR: International Business Development Manager				Dark Blue				
HR: Driver		Yellow						
HR: Warehouse Manager		Yellow						
Social Impact Assesment	Red					Dark Blue		Dark Blue
Financing: Seed round			Dark Blue					

Comments on Q2

- SDU #1 is now secured
- We executed a marketing module, but started spending on Facebook (vs. Seneweb that was initially module 1)
- We created a new position, but for Logistics & Deliveries vs. a Business development as initially planned. We will hire other SDU staff as sales grow



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Update

May, 2015

Executive Summary

- **Sales:** Sales kept increasing after the holiday season. We have now exceeded 200 orders / month and \$20,000 monthly revenue on two consecutive months.
- **Marketing:** This growth is still fuelled by the same acquisition channel, Facebook ads. Budget increase and push of video content (including the Niokobok show) have improved the number of registrations on the platform. New customers keep coming back. Though, 50% of our customer base is 3 months old, 50% have ordered twice or more.
- **Supply chain:** We started scaling operations. 10% of our orders are now delivered in secondary towns, namely Thiès, Mbour, Saint-Louis, Kaolack and Louga.
- **IT:** IT seems to be the main growth bottleneck now (rather than logistics). Missing functionalities (multicurrency, memorization of last order, multiple delivery addresses...) have a negative impact on revenue. Current Content Management System has several other limitations on the back office side. For instance it does not handle packs (30% of sales), or handles them as a single SKU (not taking into account the different SKUs in the bundle). As a consequence inventory management requires manual treatment on Excel.
- **Social impact:** We started a survey on our customers in France to measure their satisfaction, the impact on Niokobok on their transfers and on their relationship with families. A similar study will be done with the beneficiaries in Senegal in January 2016



SALES: Revenue is higher than projected (more than \$20,000 per month on the two last months)

2015	Jan F	Jan	Feb F	Feb	March F	March	April F	April
TOTAL	9 600	9 900	10 400	17 400	11 450	24 400	12 500	27 000
Grocery diaspora	7 800	9 800	8 500	17 400	9 500	24 400	10 500	27 000
Solar diaspora	1 800	100	1 900	-	1 950	-	2 000	-
Orders food diaspora	104	104	114	148	128	203	138	256

ANNUAL	2012	2013	2014	Q1 2015
TOTAL	918	47,493	89,127	78,600
Grocery diaspora	918	30,116	86,679	78,500
Solar diaspora		9,546	2,448	100
Grocery / solar non diaspora		7,776	-	-
Orders food diaspora	8	264	550	711

Caveat: revenue is in €, we keep converting it at the same exchange rate (€1 = \$1,35) than in proposal on earlier reports to isolate exchange rate effect

IMPACT: Niokobok has benefited to ~800 families (~8,000 individuals) to date, new survey on impact in progress

	Number of families impacted	Comments
TOTAL	772	~ 8,000 individuals
Active customers food diaspora	457	<ul style="list-style-type: none"> See detailed metrics on Dashboard
Solar Home Systems diaspora	33	<ul style="list-style-type: none"> A migrant association from Kédougou ordered us a solar \$4,000 system for a facility (mosque) for their village (conservatively estimated at 30 families) in Senegal Following this, 3 migrants individually ordered \$2,000+ solar systems for their house
Food to Senegalese residents	75	<ul style="list-style-type: none"> A local company ordered from us for employees (incentive).
Solar to Senegalese residents	207	<ul style="list-style-type: none"> Includes 200 lanterns ordered by an NGO that looked for a supplier in Senegal on the internet

A Planete d'Entrepreneurs team started a new impact survey, interviewing some of our customers in France (May 2015)

DASHBOARD:

Key metrics on online grocery diaspora

	July 12 – April. 15	Dec. 2014	Jan. 15	Feb. 15	March 15	April 15
Website hits	75,474	2,453	3,669	5,617	13,747	8,809
Unique visitors	57,215	1,769	2,804	4,111	11,318	7,014
Registered	1,128	55	116	150	175	124
Ordered	457	N/A	N/A	N/A	N/A	N/A
- Ordered once	211	N/A	N/A	N/A	N/A	N/A
-Ordered twice	99	N/A	N/A	N/A	N/A	N/A
-Ordered 3 times	52	N/A	N/A	N/A	N/A	N/A
-Ordered 4 times or more	95	N/A	N/A	N/A	N/A	N/A
# Orders	1,671	105	104	148	203	256
Conversion rate	2,25%	4.16%	2,92%	2,76%	1,51%	3,03%
Average order	€86 (\$115)	€98 (\$133)	€65,87 (\$89)	€78,64 (\$107)	€88 (\$119)	€79 (\$107)

Marketing: Acquisition cost keeps lower than expected

- We were assuming an acquisition cost of \$50, it is currently (since October 14) at \$25
- Pushing video content via pay ads on Facebook has been quite effective. We pushed a France 24 (the leading Francophone news channel) report about Niokobok. We also pushed the Niokobok Show on Facebook. The Niokobok show had good coverage from the local media and the 4 episodes got 50,000 to 100,000 views on Youtube.



Risks: Adding Electronics increased fraud attempts but we did not have any incident since we launched the category

	Current	Potential next steps
Payment Fraud	<ul style="list-style-type: none">▪ Nothing to report	
Price Volatility	<ul style="list-style-type: none">▪ Nothing to report	
Currency risk	<ul style="list-style-type: none">▪ Customers are paying in €. € and XOF (local currency) are at fixed exchange rate	

Finance

	Current	Potential next steps
Gross Profit	<ul style="list-style-type: none">▪ 20%	
Cash Flow Situation	<ul style="list-style-type: none">▪ + \$ 20,000 € as of May. 1st 2015	
Cash Burn Rate	<ul style="list-style-type: none">▪ \$ 2,000 / month	
Fundraising		<ul style="list-style-type: none">▪ Seedfunding round: Business plan finalized, early stage discussions

Implementation schedule

	Q1 Sep 14	Q2 Dec 14	Q3 Mar 15	Q4 June 15	Q5 Sep 15	Q6 Dec 15	Q7 Mar 15	Q8 June 15
Supply Chain: Set up SDU #1		Light Green						
Digital Marketing: Module 1		Light Green						
Digital Marketing: Module 2			Light Green					
Digital Marketing: Module 3				Dark Blue				
Marketing material (catalogue, leaflets, film)		Red						
HR: Junior Business Development Manager		Light Green						
HR: International Business Development Manager				Dark Blue				
HR: Driver (now Order Preparation & Delivery)		Light Green						
HR: Warehouse Manager (now Order Preparation & Delivery 2)		Light Green						
Social Impact Assessment				Light Green		Dark Blue		
Financing: Seed round					Yellow			



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Update

July, 2015

CONFIDENTIAL

Executive Summary

- **Sales:** We are thrilled to share that we have already hit the final target of the program of 450 orders per month in June 2015 (up from 44 orders in June 2014 when we started the DIV program) !
- **Marketing:** Acquisition cost remains stable despite a slight increase of our spend (our concern remains a risk saturation of Facebook, the only channel we professionalized so far). Banners performed poorly compared to previous periods, probably due to increasing competition globally on Facebook (more companies pushing more different stuff on this channel). For the moment this is compensated by videos posted on FB that are doing super well
- **Social impact:** We received the first results of a survey on our customers to measure their satisfaction, the impact on Niokobok on their transfers and on their relationship with families. Interesting learnings are for instance that 83% affirm that they are able to support their family better and 40% report contributing more. But the most important according to us is that **70% of Niokobok heavy users keep sending money every month**
- **Technology:** Starting building a new platform taking into account all our experience is now a priority. We identified new functionalities that will increase our revenue (memorization of last order, subscription...), we would like to allow third parties to sell through our platform (agents...). Dematerialized services including money transfer need to be added. Back office and especially inventory management needs to be improved too.
- **Funding:** We are going to get funds from a French Bank + private investors (by Oct., \$100k+). French bank could follow up with a loan. We are now having discussions with different accelerators / funds for further funding. DIV support is of course a tremendous lever / credential for this hard fundraising job



SALES: He have hit the target of 450 orders / month !

2015	Jan	Feb	March	April	May F	June F	May	June
TOTAL	9,900	17,400	24,400	27 000	13,415	14,688	28 242	60 762
Grocery diaspora	9,800	17,400	24,400	27,000	11,420	12,562	28,142	60,762
Solar diaspora	100	-	-	-	1,995	2,126	100	-
Orders food diaspora	104	148	203	256	152	167	185	464

ANNUAL	2012	2013	2014	Q1 2015	May-June 2015
TOTAL	918	47,493	89,127	51,691	89,000
Grocery diaspora	918	30,116	86,679	51,591	88,900
Solar diaspora		9,546	2,448	100	100
Grocery / solar non diaspora		7,776	-	-	-
Orders food diaspora	8	264	550	455	649

Caveat: revenue is in €, we keep converting it at the same exchange rate (€1 = \$1,35) than in proposal on earlier reports to isolate exchange rate effet

IMPACT: Niokobok has benefited to ~800 families (~8,000 individuals) to date

	Number of families impacted	Comments
TOTAL	~1,000	~ 10,000 individuals
Active customers food diaspora	657	<ul style="list-style-type: none"> See detailed metrics on Dashboard
Solar Home Systems diaspora	33	<ul style="list-style-type: none"> A migrant association from Kédougou ordered us a solar \$4,000 system for a facility (mosque) for their village (conservatively estimated at 30 families) in Senegal Following this, 3 migrants individually ordered \$2,000+ solar systems for their house
Food to Senegalese residents	75	<ul style="list-style-type: none"> A local company ordered from us for employees (incentive).
Solar to Senegalese residents	207	<ul style="list-style-type: none"> Includes 200 lanterns ordered by an NGO that looked for a supplier in Senegal on the internet

IMPACT: We shared first results of impact assessment on customers in France earlier this month

This study was conducted by NGO *Planète d'Entrepreneurs*.

The questionnaires were administered for 3 weeks via telephone interview by two members of Planète d'Entrepreneurs to Niokobok *customers abroad*. The data processing and analysis phase was conducted for 2 weeks. A broader assessment, including a survey on *beneficiaries in Senegal* will be done in Q1 2016.

Here are some of key take aways of the first survey:

- Customers are globally very satisfied (average grade is 8,43/10), the speed of the delivery and Niokobok's professionalism are greatly valued
- 83% affirm that they are able to support their family better.
- 75% feel that they are more able to control their budget dedicated to their family.
- 40% report contributing more to their family (Niokobok + cash) since they use Niokobok. 25% say that since they use Niokobok, their shipments to their family are more frequent. Niokobok is also used to make gifts.
- **70% of Niokobok heavy users keep sending money every month. We believe there is a strong opportunity to tie up the two services (sending cash + products & services on the same platform). To us this is the most important learning**



DASHBOARD:

Key metrics on online grocery diaspora

	July 12 – June 15	Feb. 15	March 15	April 15	May 15	June 15
Website hits	99,313	5,617	13,747	8,809	7,712	16,127
Unique visitors	75,469	4,111	11,318	7,014	5,960	12,294
Registered	1,549	150	175	124	131	290
Ordered	668	N/A	N/A	N/A	N/A	N/A
- Ordered once	309	N/A	N/A	N/A	N/A	N/A
-Ordered twice	120	N/A	N/A	N/A	N/A	N/A
-Ordered 3 times	59	N/A	N/A	N/A	N/A	N/A
-Ordered 4 times or more	180	N/A	N/A	N/A	N/A	N/A
# Orders	2,319	148	203	256	185	464
Conversion rate	2,34%	2,76%	1,51%	3,03%	2,59%	2,99
Average order	€86 (\$115)	€78,64 (\$107)	€88 (\$119)	€79 (\$107)	€107 (\$145)	€93 (\$126)

Marketing: Acquisition cost keeps lower than expected

- Customer acquisition is still around \$25
- The good news is that this cost stayed stable over a month where we significantly increased the spend (from \$1,000 / month to \$3,000). However banners we traditionally use on Facebook received a lower click rate. We believe this is due to the increase of the number of companies promoting their services on FB. Hopefully, the video (small new sketches following the success of our WebTV show) allowed us to get good results

Technology: we now know enough to redesign our platform

- We bootstrapped with a turn key e-commerce solution that allowed limited initial investment but is not customizable. It is now a priority for us to redesign our platform in order to:
 - Add new functionalities that will have a direct impact on revenue (proper Multilanguage feature, multicurrency, memorization of last order, subscription, referral, better loyalty scheme...)
 - Improve ergonomic for low internet literate customers
 - Add dematerialized services, ideally including money transfer services
 - Manage complex payments (pay as you go)
 - Manage orders from third parties
 - Improve back office, especially inventory management (current platform does not handle bundles)

Risks: Nothing significant to report

	Current	Potential next steps
Payment Fraud	<ul style="list-style-type: none">▪ Nothing to report	
Price Volatility	<ul style="list-style-type: none">▪ Dollar increase vs Euro led to an increase of price of products like rice	
Currency risk	<ul style="list-style-type: none">▪ Customers are paying in €. € and XOF (local currency) are at fixed exchange rate	

Finance

	Current	Potential next steps
Gross Profit	<ul style="list-style-type: none">▪ 20%	
Cash Flow Situation	<ul style="list-style-type: none">▪ + \$ 25,000 € as of July. 1st 2015	
Cash Burn Rate	<ul style="list-style-type: none">▪ \$ 1,000 / month	
Fundraising		<ul style="list-style-type: none">▪ Seedfunding round: Small round closing by Sept. (\$100k) with a French Bank (50k) matching funds from angel investors (50k)

Implementation schedule

	Q1 Sep 14	Q2 Dec 14	Q3 Mar 15	Q4 June 15	Q5 Sep 15	Q6 Dec 15	Q7 Mar 15	Q8 June 15
Supply Chain: Set up SDU #1		Light Green						
Digital Marketing: Module 1		Light Green						
Digital Marketing: Module 2			Light Green					
Digital Marketing: Module 3				Dark Blue				
Marketing material (catalogue, leaflets, film)		Red						
HR: Junior Business Development Manager		Light Green						
HR: International Business Development Manager				Dark Blue				
HR: Driver (now Order Preparation & Delivery)		Light Green						
HR: Warehouse Manager (now Order Preparation & Delivery 2)		Light Green						
Social Impact Assessment				Light Green		Dark Blue		
Financing: Seed round					Yellow			

NIOKOBOK

Social Impact Assessment and Client Satisfaction Study



PLANÈTE
D'ENTREPRENEURS

Pour un monde socialement performant !



Summary

► Satisfaction with the service:

Clients are globally very satisfied (average grade is 8,43/10), the speed of the delivery and Niokobok's professionalism are greatly valued.

► Budget Management:

A significant part of the sample (25%), says that since they use Niokobok, their shipments to their family are more regular. Niokobok is also used to make gifts.

► Family Relations:

A great majority of the interviewed clients feel less worried about sending goods rather than money, and are more confident in their capacity to support their family.

► Support to family in Senegal

Overall, the customers of Niokobok have not replaced sending money by sending products. However, part of the money in cash is replaced by the dispatch of products.

Context of the study and methodology

The objective of the Planète d'Entrepreneurs' mission is to conduct a study of Niokobok's social, economic and societal activity on its customers in France and their families in Senegal, as well as customer satisfaction.

This study targets Niokobok's direct customers, that is to say the members of the diaspora community using Niokobok to send products directly to their families in Senegal who benefit from them.

It was conducted following a first social impact assessment by Planète d'Entrepreneurs in 2013, which was less restricted because it targeted all members of the diaspora, not only Niokobok customers.

This study was conducted by the **Family First** team within the association **Planète d'Entrepreneurs**.

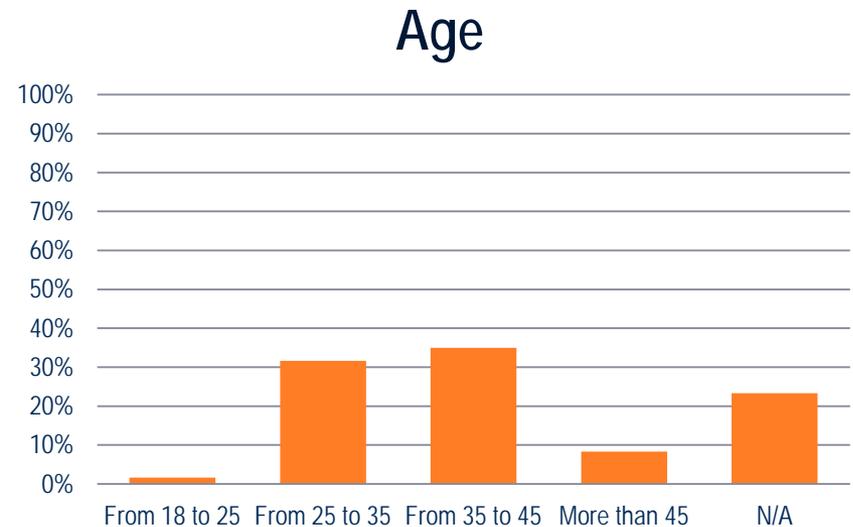
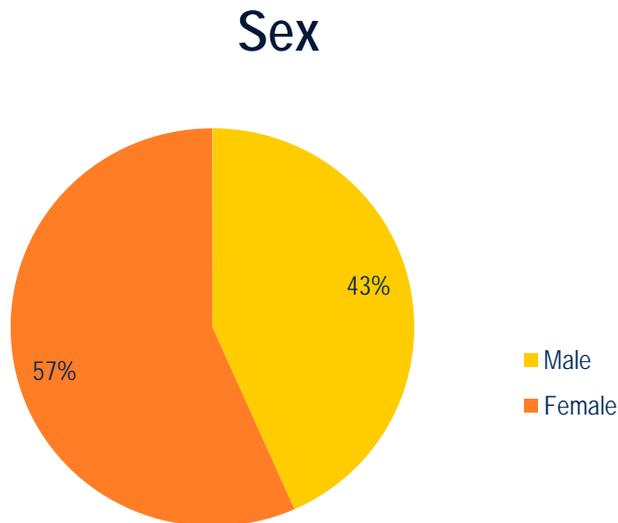
The questionnaires were administered for 3 weeks via telephone interview by two members of Planète d'Entrepreneurs to 60 members of the Senegalese diaspora in France, that is Niokobok's customers.

The data processing and analysis phase was conducted for 2 weeks.

Sampling

The sample was selected by Niokobok in order to be representative of its customers.

60 people were interviewed, the breakdown is the following:



The professions of the interviewees are very diverse and do not permit to identify trends. There are a retiree, and 4 unemployed people.

A high satisfaction rate

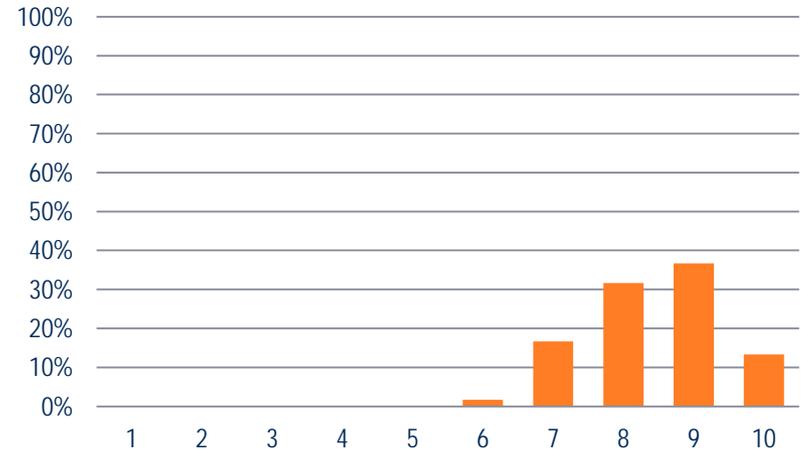
- ▶ Average satisfaction : 8,43/10
- ▶ No grade lower than 5/10

« There are never any problems »

Highlights:

- ▶ The **speed of delivery** is in the lead, having been mentioned 36 times by customers, that is to say 60% of the sample.
- ▶ **Professionalism** comes second (12 citations, 20% of the sample). Clients appreciate the safety and reliability of the service.
- ▶ Also cited are the **quality of relations with the customer, the wide range of the offer, ease of service and payment, punctuality of delivery, and efficiency.**
- ▶ Customers notice and appreciate the **constant improvement of the service** (the website, the increasing variety of products).
- ▶ Clients are unanimous on the added value of the **home delivery service.**

Satisfaction with the service

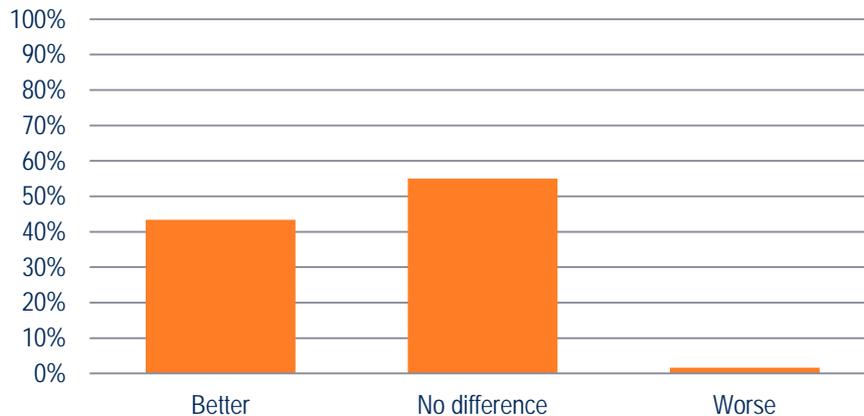


An improvement of family relations

► Family relations change when Niokobok is used since **43% of users say that relations with their families have improved** (55% of users do not see a difference). However, the vast majority of user (83%) **do not communicate with their families on a more regular basis** since they use Niokobok, or in the least do not ascribe the difference to Niokobok.

« A very convenient service that facilitates long distance relationships »

How did your relations with your family evolve?

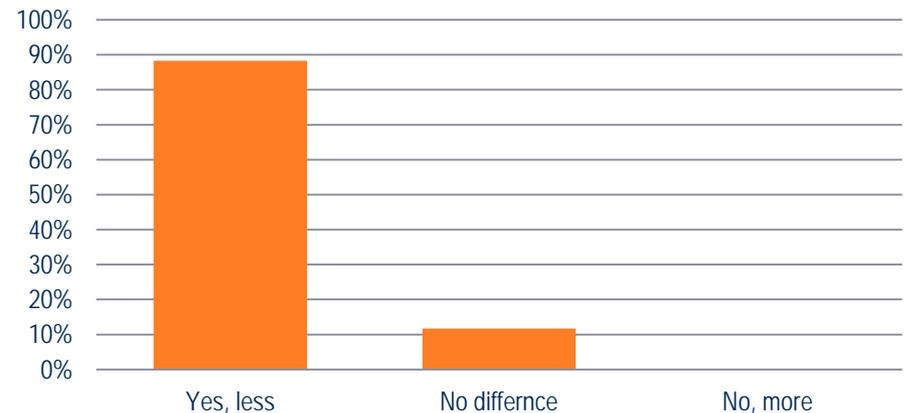


« A dialogue regarding the sent goods was put in place »

More serene family relations

► The positive impact of Niokobok is felt especially through the fact that *clients are less worried about what use will be made of their money* (88% of the interviewees feel so!). Some people send products to members of their families to whom they refuse to send money.

Are you less worried about what use will be made of the money you send home?



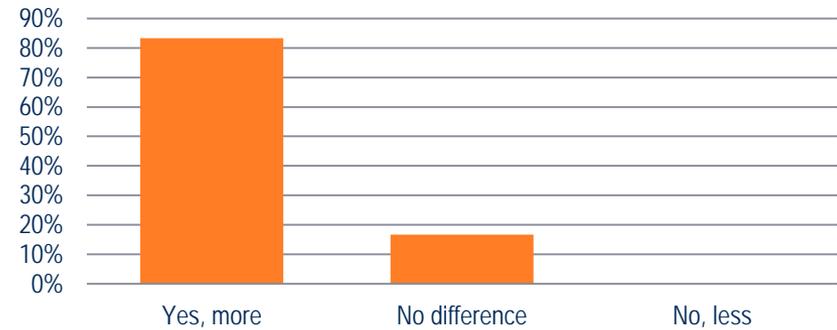
« Niokobok is of great help »

A better knowledge of family needs

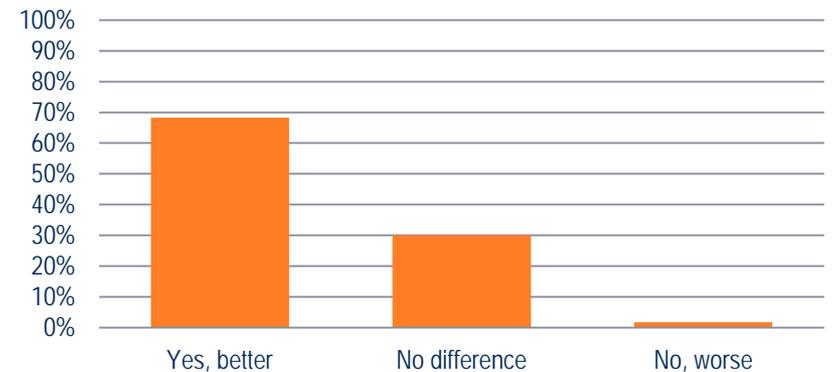
▶ Thanks to Niokobok, *83% of the interviewees affirm that they are able to support their family better.*

▶ *Three quarters of the sample feel that they are more able to control their budget dedicated to their family and 68% of them fell that they know their family's needs better.*

Are you more confident in your capacity to support your family?

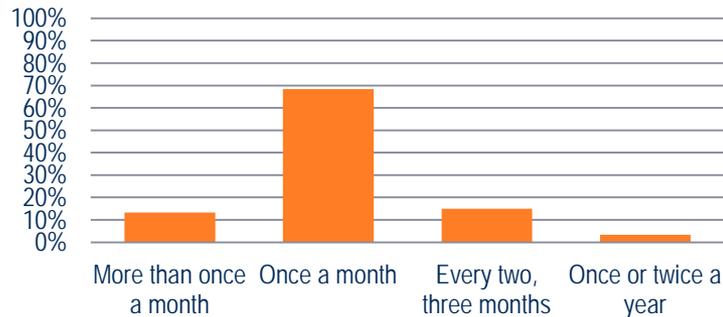


Do you feel that you know your family's needs better?



Niokobok, a service used alternatively to sending cash

How often do you send cash to your family?



How often do you use Niokobok?



- ▶ The service is used occasionally to make *surprises and gifts* to the family living in Senegal.
- ▶ A quarter of the sample said that since they use Niokobok, *their dispatches to the family, be it products and/or money, are more regular.*
- ▶ Niokobok's customers *continue to send money to their family alternatively to sending products*, money which is often used to pay for electricity, water, rent, medical expenses, etc., and we see that these dispatches *are held at the same frequency.*

« Today, I send more goods than money in cash »

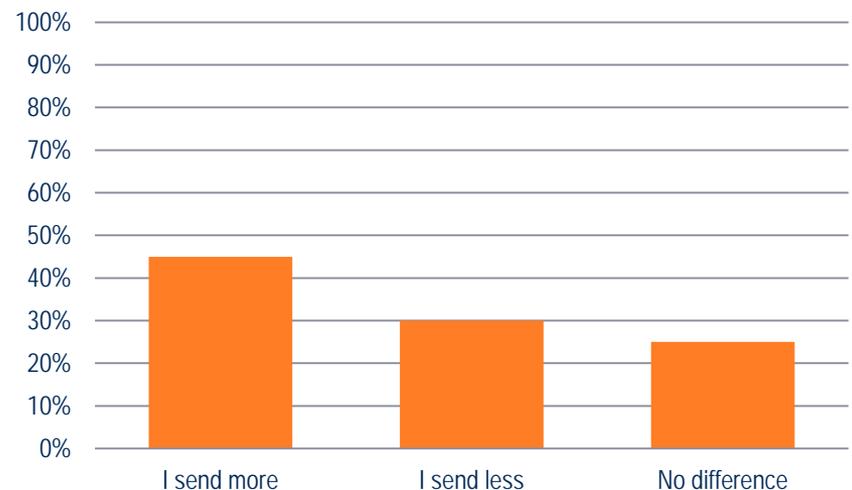
An evolution of the migrants' sending behaviour

- ▶ People who send money to their family have *changed their sending behaviour* since they use Niokobok.

For people who send more, *sending products through Niokobok partly replaces sending cash*. One person out of 60 respondents completely replaces sending money by sending products. Usually shipping products is *complementary to sending money*.

For people who send less, it is overwhelmingly (78%) because *the money is better used with Niokobok*, which allows to save money. Indeed, customers send in kind the exact amount necessary to meet the needs of their family, *the money is not used for anything else*.

Do you send more or less in total to your family than before?



Clients are loyal to Niokobok

73% of respondents claimed to be faithful to Niokobok, and the remaining 27% use at least two other solutions).

« I have already used another service for sending goods, but I was very disappointed by its performance, so now I only use Niokobok »

Average amount in cash sent to family back in Senegal:

On average, how much cash do you send per month to your family?

