



## DRIVING SALES THROUGH DIGITAL WORKING CAPITAL LOANS FOR SMALL MERCHANTS

KENYA

Unilever partnered with Mastercard and Kenya Commercial Bank to develop a digital working capital platform helping small merchants grow sales in Kenya, called Jaza Duka.

Jaza Duka (“fill up your store”) is a digital working capital platform helping to reduce the cash challenges of merchants and distributors, providing working capital to small merchants to grow their sales. Credit is based on merchants’ history of purchases from Unilever.

The program was launched in August 2017, and is currently being rolled out, aiming to provide 20,000 kiosks in Kenya with a digitally managed credit solution

in 2018. Participating merchants can further build their businesses through financial and merchandizing trainings and a provision to allow merchants to accept digital payments from their customers through Masterpass QR. The program is designed for replication across countries and to include other Fast Moving Consumer Good (FMCG) companies.

### BENEFITS OF SHIFTING TO DIGITAL PAYMENTS

#### INCREASED REVENUE



Participating merchants have already experienced a **20% growth in sales on average.**

#### STRONGER BUSINESS RELATIONSHIPS

**60% of the stores’ stock purchases have been on credit** - enabling merchants to stock more Unilever products (in some cases two-fold). This has **grown business and increased customer footfalls.**



Unilever **improves robustness of sales data**, which will help develop a deeper understanding of its distribution network and small retailers.

### CHAMPIONING THE SDGs

Before Jaza Duka, many merchants were unbanked, making it difficult to access formal financial services such as bank loans.

About **62%** of the merchants that have joined the Jaza Duka platform have been able to access formal bank credit lines for the first time.



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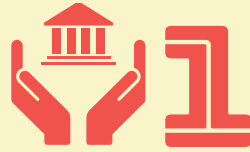
If Jaza Duka continues like this, I will not face any financial strain to pay for my daughter's high school fee next year.



**LUCY NJOKI**, a single mother of two, has been a retailer for 10 years. The store represents her only source of income. Her participation in Jaza Duka has increased her capacity to buy more Unilever products, giving her access to formal credit services, and increased her customer footfall.

She now feels confident in meeting her family's financial needs – including for food and education.

# BUILDING BLOCKS FOR SUCCESS



## Build the internal value proposition

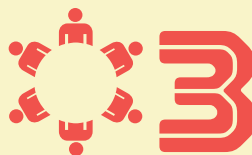
**Find partners with a common vision and who bring unique business strengths to the program.** Unilever and Mastercard recognized the challenges of cash for merchants and distributors and identified KCB as a project partner. Unilever provides access to the merchant network; KCB provides credit assessment and extensions; Mastercard provides analytics, facilitates the digital payments, and manages the program.

## Establish a compelling, long-term value proposition for merchants.

Jaza Duka enables small merchants to increase their purchasing power of Unilever products. KCB shares local expertise, helps merchants open bank accounts, and establishes credit based on a history of Unilever purchases. Credit is interest free for up to 17 days and charges 3.5% per month afterwards.



## Engage and create value for supply chain partners



## Contribute to local market environment

**Continuously enhance user experience to increase merchant retention and build positive habits.** All partners identify opportunities to continuously enhance user experience (e.g., simplifying loan repayments, accepting digital payments from customers) as shifting from cash requires a fundamental change in habits, and continued use of the system is critical to ensure merchant stickiness.

Source: Data from companies and partners

More information on:  
[www.betterthancash.org](http://www.betterthancash.org)

### LEADING COMPANIES AND PARTNERS

