

New township delivery service pilots in Ekurhuleni

A new retail home delivery service for townships, funded by the National Youth Development Agency (NYDA), has launched in Ekurhuleni. Buddibox is operated by youth from within the community who are trained up to become micro-entrepreneurs (Buddis), earning their own cash, delivering FMCG goods for the family shopping basket, from toiletries to fresh produce.



At the outset up to 13,000 SKUs will be available for order. Initially, the grocery delivery service will target 400,000 homes but there are 1.3m households in Ekurhuleni that ultimately can be tapped into. Each Buddi will service 200 households. Community members, keen to try the service, have placed orders valued on average at R900.

“More than just a retail delivery service, the programme is uplifting township communities by creating opportunities for unemployed youth; contracting, training and equipping them as ambassadors within their communities. The programme launched with 100 Buddis, but the goal is to have 1,000 operational by March, 2,000 by June and at least 10,000 in Gauteng by the end of 2017,” says Buddibox CEO, Isaack Lesole.

Distribution, marketing divisions

“This offers an unparalleled distribution platform that will enable manufacturers to gain access to markets without depending on large retail stores, while also providing an opportunity to get involved in state initiatives through entrepreneurial enterprises.

“Businesses can also tap into direct marketing, branding and promotional services offered through Buddimedia – the marketing and advertising arm of Buddibox. From branding on TukTuks and scooters, to the Buddi uniforms and local distribution centres, as well as digital advertising opportunities on the tablet ordering platforms; the reach is targeted with an excellent ROI. In addition to this, there will be opportunities to participate in roadshows, brand activations as well as product and leaflet drops.”

Strategic partners sought

“We are looking for strategic manufacturer partners who will collaborate with us in the long-term. We have launch roadshows lined up, where we will introduce the concept directly to communities, which will involve our strategic partners and we are busy with big supplier presentations, which are being well received. Brands will have a strong share of voice on our platforms and, with the many available branding opportunities, we are confident the programme is going to grow quickly.



“Through Buddibox, brands will be able to increase their customer base and drive additional sales because the service will find new customers for participating brands. Although the programme is initially being piloted in the City of Ekurhuleni, there are long-term plans to roll out nationally. The scope and scale of the project will grow as geographic areas are added to the service.

Government services such as application for ID documents, registering for schools, etc – all using the electronic device – is also on the cards. This basket of services will grow as the programme’s network matures and expands.

Data mining opportunities

Offering more than just retail on wheels, Buddibox also gathers data from each household that is relevant, accurate and current and IPSOS has been appointed to verify the accuracy of the household profiling. Satisfaction surveys, service delivery checks, gather brand research and consumer insights are other services on offer through the programme.

Buddis will canvas communities by walking door-to-door introducing the service, building relationships with the households they are responsible for – signing them up for the service and future repeat orders. They will also capture data and build profiles of the families they cater for. They will be given access to branded TukTuks, which will be used to deliver provisions from the local distribution centres to the various homes they service in the ward.”

“People in townships are some of the most discerning shoppers in the country and word of mouth is still key when it comes to influencing purchase decisions. Now brands can reach consumers in their homes through members of the community who are considered a more trustworthy connection and source of information than traditional advertising.”

Cashless transactions complement spaza shops

All the transactions happen via an e-commerce platform; the orders are captured on an android device and payments are only collected from the consumer on delivery. A cashless exchange has been set up using online apps, EFTs and eWallet, thereby ensuring the safety of the Buddi and removing risk. In so doing, Buddibox will effectively bridge South Africa’s digital divide with this approach.

“The programme is intended to work alongside existing spazas and tuck shops and will not wipe them out. Where communities may buy a loaf of bread from the spaza – using Buddibox they can place big monthly orders for supplies that are cumbersome and difficult to carry using public transport,” concludes Lesole.

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