

The last mile digitised, democratised and on-demand



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It's no secret, in the digital age shoppers want what we want when we want it. The proliferation of cellphones and the ondemand digital economy mean that we have become accustomed to almost instant access to almost everything our hearts' desire. This, of course, includes physical goods and online shopping.

Whether we live in rural or urban areas, we expect the businesses we spend our money with to meet us where we are, when we want them to. Across the world, businesses are rising (in some cases literally) to the challenge:

Amazon and Alibaba now offer drone delivery to city customers in the USA, the UK and parts of Asia:

Toyota is investing in an army of autonomous, that is self driving, delivery vehicles of all shapes and sizes to bring everything from pizza to people to your door on demand.

Moby, in Shanghai is a fully autonomous, cashless, roving retail store:

| Other retailers, such as Kroger supermarket in the UK, are partnering with Uber drivers to build their own door-to-door delivery services. |
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| n Sweden, supermarket chain ICA offers to deliver and unpack your groceries right into your fridge, even when you are not at home: |
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| Solving the local last mile challenge |
| But how does door to door delivery apply to South Africa? |
| Of course, in South Africa, where large portions of our population live in rural areas or informal settlements, these expectations form a challenge for brands and businesses. The "last mile" delivery problem, which relates to the high cost and logistical difficulty of delivering items to an individual address, rather than a central depo, is particularly acute outside of city bounds. |
| n South Africa, for example, it can cost more for an entrepreneur to send a parcel from Johannesburg city to Soweto thar t does to send the same parcel to a suburban address in Cape Town! |



How then can companies democratise the digitised and on-demand economy so that all shoppers receive the speedy service they desire?

Every problem to be solved is a business opportunity in disguise. Startups are rising up all over South Africa to solve the democratisation of the last mile.

What3Words gives a unique, simple address to every three by three metre grid block on Earth; giving everyone, even residents of informal settlements, an easily locatable address that can then be used by couriers and emergency services:

Wumdrop, backed by Massmart right here in South Africa, offers a "deliver to me" service that facilitates delivery to your cellphone rather than a physical address. This means that the courier finds you wherever you are, rather than you having to meet them at your home or office at a specific time.

Even spaza shops – a R71 billion a year industry – are going digital thanks to new, affordable, portable, app-based technology.

Spazapp is specifically designed for "last-mile traders and disadvantaged communities". The app assists shop owners with stock management and connects them to bulk-buying opportunities from big brands, thereby assisting those who have the least, yet are paying the most for basic goods because of inefficient supply chain processes.

Similarly, Lakheni, is a social group-buying concept that allows Cape Town township residents to buy groceries as a community and have them delivered to local crèches for easy collection by individuals. The initiative is a manual onlineoffline hybrid at the moment but the founders have plans to develop an app to extend the service to wider communities.

This is just the beginning, but rest assured the democratisation of the last mile is well underway.

Visit our Mobile Commerce special section for further insights throughout the month of July.

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