



Website: sokowatch.com
 Year Founded: 2013
 Location: Nairobi, Kenya
 Founders: Daniel Yu and Josh Middleman

INVESTMENT TERMS
 Round Size: \$700K - \$950K
 MC Share: \$100,000
 Type: Convertible note
 Date: February 2017

MARKET NEED

The vast majority (80%) of all retail purchases in Africa are made at small informal shops. But products at these stores are frequently out of stock, and when they're available, it's often at a high-price. Shop owners endure costly, time-consuming travel to central markets to purchase health and consumer packaged goods. This inefficient distribution system increases prices and limits communities' access to potentially life-saving medicine, sanitation products, and nutritious food.

THE SOKOWATCH SOLUTION

SokoWatch is a last-mile distribution platform and agent network that enables small shop owners to stock beneficial consumer goods products from companies such as GlaxoSmithKlein, Unilever, and Procter & Gamble. Shop-owners text SokoWatch their orders and local, salaried SokoWatch agents fulfill the orders from central distribution hubs and deliver them to shops in less than 24 hours. Agents are provided with smartphones and training in financial literacy, distribution, and marketing - making them experienced distributors in informal areas. SokoWatch reduces expenses for shop-owners, provides full-time employment to its sales agents, and creates access to the health, sanitation, and consumer household products that low-income communities need to live healthy, productive lives. At the same time it allows consumer goods companies to have consistent and reliable distribution channels to reach into low-income, underserved communities.

BUSINESS MODEL

SokoWatch earns a percent margin on products purchased. It also allows store owners to purchase products on credit and repay them as they are sold.

INVESTMENT RATIONALE

SokoWatch's model seeks to address two of Mercy Corps' focus areas - last-mile distribution and female and youth employment. The Social Venture Fund has connected SokoWatch with Mercy Corps Kenya's Youth Empowered for Success program to serve as a pipeline for sales agents.

ROUTE TO IMPACT

Activities	Sign up retailers, recruit agents, collect product orders
Outputs	Fulfilled product orders
Intermediate Outcomes	Increased income for shop owners, and agents
Outcomes	Increased availability and access to top health and consumer goods products
Ultimate Impacts	Improved health, sanitation, and nutrition for customers

METRICS

- REACH** #/% of agents that are (ages 18-34), #/% of agents that are female
- BREADTH** # beneficial products distributed, # stores served, # active agents
- DEPTH** \$ shop owner income increase, \$ agent income

SDG ALIGNMENT

