

# Kenyan merchant solution Sokowatch starts East African expansion

Kenyan ordering and delivery solution Sokowatch is plotting further expansion across East Africa after making Iles Salaam, Tanzania its second market in February.

By Tom Jackson 16 May 2017



Launched in 2013, [Sokowatch](#) is an ordering and delivery network for small shops, which currently supplies over 5,000 shops across Nairobi with goods from eight different multinational companies.

“Sokowatch helps increase the availability of everyday consumer goods by allowing small shops to place orders at any time via SMS,” founder and chief executive officer, Daniel Yu told Disrupt Africa.

These orders are then processed through Sokowatch’s system to notify nearby delivery agents, who then deliver the requested orders to shops within 24 hours.

The startup partners directly with the manufacturers of these goods, which include companies such as Unilever and GlaxoSmithKline, to source products and help address underserved areas with their existing distribution.

Sokowatch expanded outside of Kenya for the first time in February with its Tanzania launch, and Yu anticipates expanding the model to other key markets in urban East Africa, looking next at Mombasa, Kampala, and Kigali.

Yu first started the company based on his experiences in Egypt, where he witnessed firsthand limited availability of products in the local retail market as well as the ubiquitous availability of mobile phones. “I saw the use of these devices as an opportunity to improve route-to-market for everyday goods,” he said.

A software developer at the University of Chicago at the time, he took a leave of absence from his studies and relocated to Nairobi to start Sokowatch.

“The gap in the market Sokowatch addresses is the difficulty in sourcing products faced by most shopkeepers in emerging markets,” Yu said. “In most of these areas, traditional distributors are not able to deliver to shopkeepers directly, forcing shopkeepers to leave their shops to travel and purchase goods from wholesalers, which adds significant costs and burdens their business operations.”

Sokowatch eliminates this by delivering directly to shops when orders are received via SMS. Funded to date by angel

investors and small seed funds, Yu anticipates the startup will soon begin talks with larger institutional investors to help fuel further growth.

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