

New app simplifies inventory management for Africa's informal retailers

South African fintech startup Nomanini has launched a supply chain finance solution, called StockNow, that enables informal micro and small retailers to purchase stock digitally.



Source: Supplied

Ten million informal retailers in Africa are reached by global FMCG value chains but lack access to responsible and affordable finance solutions to keep their shelves stocked to attract customers and grow their businesses.

FMCG brands scaling into emerging markets often encounter challenges as without affordable working capital, many informal retailers go through periods when they cannot pay suppliers to restock their inventory due to a lack of cash flow at the time of delivery. As a result stock is unexpectedly returned to the depot, leading to high operational costs.

Nomanini's new StockNow app is designed to connect Africa's informal retailers to distributors of global FMCG brands relevant in the general trade market, enabling traders to purchase goods using stock advances to keep their shelves topped up with essential goods, therefore ensuring business continuity and support for last-mile consumers.

The end-to-end solution will provide responsible working capital so that informal retailers can stock their shelves in a predictable manner.



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"Covid really highlighted how important these retailers are to their communities. And unfortunately, their lack of access to responsible business finance solutions means that they are particularly vulnerable during and after times of crisis," explains Nomanini's CEO Vahid Monadjem.

“In response to challenges we saw retailers face during the pandemic and related lockdowns, we established the opportunity to accelerate the development of our digital working capital solutions to provide tools to help retailers keep their shelves stocked with essential goods,” he continued.

As sole proprietors, retailers in the informal sector require stability, and working capital solutions such as the StockNow app can provide greater resilience and a buffer against shocks. It will also enable them to build a stronger financial track record and trade with more confidence and volume over time.

By digitising the supply chain, the service enables FMCGs to increase operational efficiency by unlocking trade data and gaining visibility into the sales and preferences of informal retailers. Automating settlements and incentivising e-payments within the value chain also lead to improved efficiencies, says Nomanini.



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From Tanzania to the continent

StockNow is now live and being rolled out to thousands of informal retailers in Tanzania in partnership with Nestlé East and Southern Africa Region (ESAR). Plans are underway to scale the solution across the continent from Mozambique to Uganda, The Democratic Republic of Congo to Egypt.

For Nomanini, the launch of StockNow marks a big shift from enterprise B2B technology solutions to embedded stock advances in the FMCG value chain.

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