Biscate: connecting the dots in Mozambique’s informal sector

In Mozambique, one in ten people work in the informal economy\(^1\), making it one of the highest global ratios. Forty-five percent of the population owns a mobile phone\(^2\), although less than 25% has access to the internet\(^3\).

With these statistics in mind, software solutions start-up UX Information Technologies launched Biscate (‘odd-job’ in Portuguese) in June 2016. This service allows the numerous informal and often uncertified skilled workers located throughout the country to register and advertise their services with customers through a total of 83K contact requests across Mozambique’s 10 provinces. Eighteen different trades are available on the platform with the 46K workers distributed as follows:

- Bricklayer: 6669
- Painter: 4282
- Mechanic: 4123
- AC Technician: 3991
- TV Technician: 3440
- Plumber: 3007
- Electrician: 9929
- Carpenter: 2920
- Welder: 2895
- Cook: 1698
- Hairdresser: 1320
- Deliverer: 901
- Tailor: 422
- Other: 518

As of July 2017, the 14 team members at Biscate have attracted more than 46K workers to the platform, connecting them to more than 28K customers through a total of 83K contact requests across Mozambique’s 10 provinces. Eighteen different trades are available on the platform with the 46K workers distributed as follows:

Since its launch, Biscate has been leveraging the power of mobile technology by offering workers and customers access to the service through three different mobile channels: a mobile-responsive website, a native mobile app (both on Android and iOS) and a USSD mobile app. The latter is by far the most popular among potential customers access to a register of workers with an average of 3,000 daily USSD sessions being recorded on the platform.

In order to enable workers and customers to enjoy the service either free of charge or at a limited cost, Biscate developed a B2B cross-subsidisation model through which it charges external organisations for the access to a pool of workers filtered by trade and location. Since its launch, Biscate has been leveraging the power of mobile technology by offering workers and customers access to the service through three different mobile channels: a mobile-responsive website, a native mobile app (both on Android and iOS) and a USSD mobile app. The latter is by far the most popular among workers with an average of 3,000 daily USSD sessions being recorded on the platform.

How the service works

1. Workers register through their mobile phones by dialing USSD code *777#*. Workers input the following information: name, gender, trade, location, level of education and experience, which is captured using a series of menus, most of which use numerical inputs, which are easier to manage for this low-literacy group.
2. Customers download the native iOS or Android app or visit the website and search by trade, location and ratings to select the worker that they need.
3. The customer receives the selected worker’s contact details by SMS and connects with them.
4. The worker performs the requested job and gets paid directly by the customer.
5. The customer rates the service provided by the worker in terms of quality, price and time.

For every session a worker initiates through USSD, the platform is able to show a contextual page so that Biscate’s menu is tailored and dynamic instead of the usual linear navigation (like a decision tree). This allows Biscate to create an individual profile for each user based on their mobile phone. The platform is therefore able to remember who they are, so that for instance if a session times out, users are sent back to the last screen they visited when they reconnect. Similarly, Biscate can also personalise the user experience by greeting them with the name they registered with and provide other dynamic user experiences. Because all this USSD input takes place on the Biscate application, all of the information is available in real time on Biscate’s website and mobile applications, thus effectively making basic phone users visible to internet users.

For more information on USSD, see the last section of the report.

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\(^2\) GSMA Intelligence, https://www.gsma.com/connections/consumer/
\(^3\) ITU ‘Percentage of individuals using the internet’.
Working with mobile operators

Since launching, the Biscate team has been collaborating with Vodacom Mozambique (one of the country’s three mobile operators boasting 5.5 million connections as of Q2 2017). The Biscate-Vodacom collaboration spans three main areas of synergies:

- **Branding and advertising:** Vodacom and Biscate co-designed and co-branded a nationwide above-the-line advertising campaign for the launch and the first months of the service. This was done across several key channels: newspapers, social media, TV (see the TV spots here), radio and events.
- **USSD and SMS APIs integration:** Vodacom granted Biscate free access to the operator’s USSD infrastructure through an API, allowing workers to register on the platform from any phone. Biscate is also integrated with Vodacom’s SMS infrastructure.
- **Billing integration:** In the future, Biscate is planning to charge users for the service: workers will pay a registration fee and a quarterly subscription, while customers will be charged per contact request. This functionality will be made possible by accessing Vodacom’s billing system, leveraging a revenue sharing agreement agreed between the two parties.

“Working with mobile operators is a win-win situation for everyone involved. On the one hand, Vodacom is able to offer a new, relevant service to its customers, and on the other hand, Biscate is able to reach a broader audience and increase its visibility.”

Jerry Mobbs, Managing Director, Vodacom Mozambique

Changing lives

Mozambique ranks #181 out of 188 on the Human Development Index (HDI) with more than 50% of the country’s population living in poverty. Leveraging on the demand for quality services by the emerging middle class, Biscate aims to improve the livelihoods of a currently neglected underprivileged group of individuals by increasing their access to job opportunities and accrediting uncertified but skilled workers through customer ratings.

Between March and July 2017 1,923 female workers registered (a quarter of all registrations over that period of time) on Biscate, including carpenters, welders and electricians who can now access the same job opportunities as men and compete with them.

Gildo Laura Luis, 31, has been a plumber for the past 10 years. He registered on Biscate in August of 2016 and since then has secured 10 new clients. Gildo talks about some of the challenges he faces in his work: “Biscate helped me to overcome a lot of the difficulties I had with dishonest customers. Up until now, with Biscate’s customers, I have had no problems. I do the work, they like it, and I always do my job to keep the customer. It’s a system that has helped us a lot to overcome our challenges.”

Working with the GSMA Ecosystem Accelerator

Biscate received a grant from the GSMA Ecosystem Accelerator Innovation Fund in April of 2017 to:

- Further scale in Mozambique (including through partnership with local mobile operators) through service improvement and a communication campaign
- Link workers to relevant training centres for skill-building and certifications.

By doing so, Biscate is planning to unlock extra income for more than 400 newly-rated workers by the end of the grant in 2018.

Beyond this funding, the GSMA Ecosystem Accelerator is supporting Biscate in strengthening its relationship with mobile operators both inside and outside of Mozambique, in particular to:

- Integrate with the operators’ USSD, SMS, billing and mobile money APIs;
- Get advertising/branding support in their geographic expansion; and
- Leverage the operators’ brand to build customers’ trust in the service.

3. [More information on the GSMA Ecosystem Accelerator Innovation Fund](https://gsma.com/innovation/)
4. [Acknowledgment to the GSMA Ecosystem Accelerator Innovation Fund](https://gsma.com/innovation/)
5. [In the current system, if a worker is rated, it is a guarantee that a job took place and the worker was paid](https://gsma.com/innovation/)