Extract from:

BUILDING SYNERGIES: HOW MOBILE OPERATORS AND START-UPS CAN PARTNER FOR IMPACT IN EMERGING MARKETS

Case study | Jumia and MTN: the synergies behind Africa's leading eCommerce venture

In December 2013, MTN, together with Millicom and Rocket Internet, became a 33.3% stakeholder in Africa's e-commerce and digital services company sumle Group (formerly Africa Internet Group (AIG). MTN has since invested an additional \$143 million in Jumia Group, increasing its stake to 41.4 percent. Jumia's services include Jumia (e-Commerce), Jumia Market, Jumia Travel, Jumia Food, Jumia Deals, Jumia House, Jumia Car, Jumia Jobs, and Jumia Services.

HAVE	FINANCIAL AND PHYSICAL ASSETS	The investment Jumia received from MTN fast-tracked its expansion into new countries and industry verticals. The collective strength of the joint venture has since attracted new investors, such as Orange, AXA, Goldman Sachs, and CDC. Additionally, the operator zero-rated Jumia's websites in Ivory Coast and Nigeria, allowing MTN subscribers to access them without incurring any mobile data cost.	FINANCIAL SUPPORT (IN CASH AND IN KIND)	START-UP
((公)) MOBILE OPERATOR	RELEVANT PAYMENT CHANNELS	MTN Mobile Money APIs were integrated across Jumia's platforms to help the eCommerce firm overcome the challenges of low credit card penetration. The integration accelerated the share of mobile payment users in Jumia's customer base.	ACCESS TO MASS PAYMENT CHANNELS	ס
	WIDE SALES AND DISTRIBUTION NETWORK	Jumia has been able to take advantage of MTN's broad range of flagship stores and retail outlets as delivery points in Nigeria, Ivory Coast, and Cameroon.	ACCESS TO CUSTOMER TOUCHPOINTS	
	BRAND RECOGNITION AND TRUST	The companies have combined efforts to launch joint marketing and cross-promotion initiatives. In Nigeria, for example, two TV campaigns were launched. The companies have also pursued a series of below-the-line (BTL) marketing campaigns via SMS, giving MTN customers access to Jumia discounts.	BRAND EXPOSURE AND TRUST	• • • • • • • • • • • • • • • • • • •
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revenue in 2015



active customers



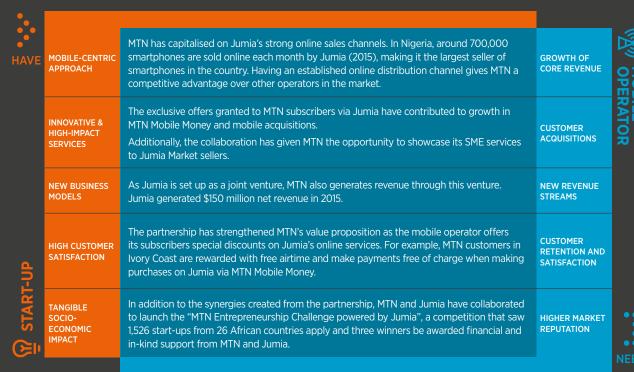
sales agents network across Africa



direct jobs created since 2013



countries across Africa



Sources: Jumia, MTN