

## N-FRND S CASE STUDY - FMCG SOLUTIONS

**The N-Frnds cloud-based platform enables governments, financial institutions and large enterprises in emerging markets to digitize entire ecosystems and services and digitally communicate with their citizens, customers or suppliers. Whoever and wherever they are. No mobile data/internet required.**

### FMCG Product Offering

The N-Frnds platform provides the digital infrastructure for FMCG companies in emerging markets, expanding their digital distribution system all the way down to the retailer level. This creates a digital distribution eco-system that is accessible to the FMCG company and provides a direct channel and digital linkage between the company and both its indirect wholesaler network and their respective retailers.

### Sample N-Frnds FMCG Solutions

- **Digital Order** – Product selection, retailer registration, order history, special offerings and delivery/pick up through USSD or mobile app – streamlining and increasing the efficiency of the system
- **Message Services** – Delivery confirmation/scheduling and communications between retailer, pre-seller, wholesaler, Principal. Alerts when stocks are low. The FMCG company can interact directly with outlets enabling them to directly share information on products, promos, share incentives as well as gain feedback and data (both through activity and interactions captured on the platform and digital questionnaires or feedback surveys) thus driving increased sales.
- **Loyalty Systems** – Incentives and promotions to wholesaler and retailers creating tailored digital strategies for increasing the visibility and stickiness of the FMCG products and ultimately increasing sales
- **Visibility** – Through the platform the FMCG company gains data on digital order and delivery information, trends, incentives and all platform interactions enabling data driven promotions
- **Payments** – Cash and digital payments or Credit. Creation of digital invoices, balance calculations, alerts when payments are due and bulk payments.

### Case Study: Coca-Cola in Indonesia

Coca Cola Indonesia relies on both direct and indirect channels to serve its large client base. In a country of over 260 million people dispersed over more than 17,000 islands Coke's indirect channels play a key role in serving remote retailers throughout the country.

**The Challenge:** Over 80% of Indonesians still do not have access to the internet and many of the countries small and medium businesses still rely on traditional, paper-based accounting systems. Coca Cola therefore approached N-Frnds to provide a digital solution that would provide them with oversight over their indirect distribution channels from the wholesalers down to the retailers and even mass-market customers.

After a series of meetings, field visits and research N-Frnds identified the following focus areas for developing a digital ordering and communication system that would provide visibility to Coca Cola distributors and the various value chain players.

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## Key Challenges & Insights from the Field

- Growth is limited by passive practices of wholesalers
- The value of relationships and personal connection is paramount
- Pricing is based on relationships not on brand offers and schemes
- The manual, paper-based system of order taking has become a force of habit
- Business health is more a gut check than a closely tracked metric
- Cash helps manage the inflow and outflow of day to day business cycles

Based on the above challenges and feedback from Coca Cola, we designed a solution that included the following components:

- **Mobile Ordering** - Through the field visit we recognized that there was no formal ordering channels and orders were received through a combination of calls and SMS's. We thus developed simple menus for digital orders than could be completed by retailers or pre-sellers from any mobile device.
- **Incentivized Digital Pre-sellers** – N-Frnds trained pre-sellers sign up and collect orders from retailers which are directed to wholesalers for fulfillment – this order process is captured digitally through the N-Frnds mobile App. These pre-sellers receive digital incentives through the platform for both signing up new retailers and increased digital sales.
- **Bottom-Up Retailer Driven Approach** – N-Frnds recognized that the digitization process was driven from the bottom up, with retailers as more likely candidates for technology adoption than the larger wholesalers who already had established practices. We designed a USSD-based ordering platform for these retailers and incentives and loyalty schemes to both encourage digital orders and strengthen retailer loyalty both to the wholesalers and Coca Cola
- **Interactive Communication** - Even with a digital ordering process wholesalers and retailers wanted a channel to communicate (e.g. not notify of delays, ask questions). We thus created a managed business 'chat' channel enabling free communication between wholesalers and retailers, this communication channel is controlled by rules on who can communicate with whom, and takes into consideration strict privacy while enabling the principal to view traffic activity between the various channels, however with no access to the content itself (interoperable through mobile app and USSD).
- **Direct Digital Broadcasts** – One of the challenges identified by Coke was that promotions, discounts or information on new products was not necessary passed down the value chain. The N-Frnds platform therefore includes a direct communication channel allowing coke to communicate such information directly to all value chain players
- **Advanced Analytics** – All the above interactions are captured by the N-Frnds platforms advanced analytics (orders, interactions, busy times of days, best-selling products etc.) and shared daily with relevant teams enabling tailored marketing plans and development of appropriate loyalty programs for driving sales at each level of the value chain.
- **Platform flexibility** – The flexibility of the platform allows coke to continuously modify its products, promos and services to respond both to the data collected through the platform and user feedback. We further do ongoing A/B Testing to accelerate learning and explore the impact of different models (e.g. incentives, products, promos).

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Extend your Reach.

### About N-Frnds

N-Frnds is a cloud-based SaaS platform enabling enterprises to reach and digitize financial and business processes across their customer and supplier networks, throughout the global emerging markets. Based on groundbreaking technology, protected by 21 patents, our platform is easily adaptable, swiftly deployable and can be accessed from any device. Even without mobile data.

N-Frnds is already providing solutions to enterprises and governments across Sub-Saharan Africa (SSA) and South East Asia (SEA), enabling them to engage and streamline processes across our rapidly growing user base of over 15 million end-users.

Through its platform, N-Frnds is digitizing financial / business ecosystems by creating digital networks across sectors - driving and delivering solutions such as branchless banking, supply chain automation, loyalty solutions and digital government services to all citizens. For example, we provide BTPN bank, Indonesia's leading commercial bank targeting the unbanked, with a branchless banking solution specifically designed to reach the mass market. The branchless banking solution powers over 200,000 agents and 4 million customers. Our services range from savings and money transfers to loans, virtual Point of Sales, digital loyalty programs as well as complimentary digital and communication services.

Led by entrepreneurs with deep expertise in emerging markets, our global partners include Microsoft and others. Microsoft has selected the N-Frnds platform as their strategic solution to bring business services to enterprises and MSMEs in the SSA and SEA Growth Markets. For Info: [www.nfrnds.com](http://www.nfrnds.com)

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