Bringing African artisan’s work to the world through a mobile to web platform. This is the mission that Catherine Mahugu, Ella Peinovich and Gwen Floyd had in mind by founding SOKO –marketplace in Swahili – a women operated company founded in 2011. With a team of 13, SOKO is growing rapidly and aims to be the first virtual marketplace where “consumers have access to beautiful products previously unavailable on the international market.” Catherine Mahugu, founder and director of technology and innovation at SOKO tells us more about this new kind of peer-to-peer business.

Inspire Afrika : If I say SOKO ?

Catherine Mahugu : I will say women empowerment because we, the 3 co-founders had a similar vision on this. We saw the disconnection between the rich cultural craft that the local artisans make, especially women, and the monetary value that they got from the sale. This problem was due to the middlemen who pockets most of their profits. The main goal of our company was to remove the middlemen and make sure that the majority of the profits go to the artisans. When we started out we named the company “SasaAfrica” and changed the name to “SOKO”. Soko means marketplace in Swahili, the national language of Kenya. Soko’s peer to peer technology revolutionizes the way developing market artisans connect with consumers worldwide. Soko’s new platform creates an online marketplace for vendors in Kenya to access consumers in the US.

Soko’s mission is to create the first online marketplace where international consumers can buy goods directly from artisans around the world. With our tools any artisan can participate in the global marketplace, becoming a driver of social and economic development in their community.

This is our core mission, and we changed our name from SasaAfrica to Soko to reflect and celebrate this directly during our launch.
I.A : How did the idea come to you?

C.M : Soko’s inception was a result of a collaborative effort from three women Ella Peinovich, Gwen Floyd and I, Catherine Mahugu. The Founders developed the idea for Soko when working in the informal communities of Nairobi and other global cities. We recognized that, due to a costly and inaccessible export supply chain, vendors receive just a fraction of the potential profit that could be earned if the tools and opportunity existed for women to competitively enter the global marketplace as independent entrepreneurs. Ella and I developed the user interface and experience for the mobile phone tools then piloted and iterated the tools with artisans around Nairobi. Gwendolyn Floyd came on board that Summer in 2011 to grow the tools into a business.

I.A : is mainly about connecting Kenyan artisans to potential buyers. How do you select the artisans?

C.M : We have a vendor outreach team locally that is in charge of looking for vendors to recruit to our platform. We have two platforms that we provide to our vendors for registration 1. They can use our SMS and MMS joint code to register as a vendor, and once they do so, they can add their products. 2. They can also register through our android application that we developed recently. From the metadata that we receive from the above platforms. We display their amazing one of a kind products on our e-commerce platform, www. shopsoko.com. This gives the vendors access to a global market that they did not have before. After purchase we have quality control checks and tracking tools that facilitates an effective and efficient delivery of the products to the U.S consumers.

I.A : What do you think is your competitive advantage?

C.M : SOKO provides artisans and entrepreneurs in the developing world with our proprietary mobile technology. The technology enables vendors to sell their goods directly to global consumers through their personal mobile phones without need of a computer, bank account or access to internet. Our innovation leverages existing communications technology and infrastructure to pioneer a completely new marketplace, giving vendors and global craft consumers unprecedented access to one another. This new marketplace revolutionizes the way money and goods are exchanged during international trade, creating economic opportunity and increased profits for vendors, and savings for consumers.

I.A: Talking about trade, why did you choose to first ship to the USA?

C.M: The favourable policies between African countries and the U.S.A was one of the main reasons for choosing to ship to the U.S market. The African Growth and Opportunity Act (AGOA) promotes business growth and increases trade both regionally and to the U.S.. As a result, creates a better business environment leading to increase of micro entrepreneurs to the global market.

However, due to increase demand to provide our platform to the European market. We want to tap into that market and leverage on similar policies like the AGOA act. This will lead to a win -win scenario for the consumers and artisans

I.A: Let’s talk about SOKO through numbers.

C.M: We have over 250 artisans that we were able to recruit in less than two weeks. However, that number has exponentially increased due to the local and international exposure that we have had. Due to the demand, we plan to adapt our
technology platform accordingly to cater for a larger vendor market base. Since our public launch in April 2013 we have been able to generate attract of thousands of consumers to our site all over the world besides the U.S Market.

I.A: Do you think this Peer-to-Peer business model is adapted to developing countries?

C.M: Yes, most of these artisans work in risky informal market place. Women street vendors who sell in open-air informal marketplaces are threatened with a range of problems due to this. The artisans are only able to sell small quantities of their products due to the inconsistent local market place.

I.A: What is the social impact that your business has on the community?

C.M: Our social impact is 3 fold – reduce vocational health risks, fostering micro-enterprises for poverty alleviation, and close the global digital divide. Over the next 3 years, our projected impact is 18,000 micro-enterprises registered, 7,200 new mobile phone users, 37% risk reduction in the health.

Our mission is to increase access to economic opportunity for women in the developing world to improve their livelihoods. If these women are provided the tools to build micro-enterprises and access global consumers, they will be economically empowered.

A woman is still 23 per cent less likely than a man to own a phone in Africa. By extending the benefits of mobile phone ownership and Internet access to women, a number of social and economic goals can be achieved.

I.A: What’s in the company’s future?

C.M: Dans les années à venir, nous comptons ouvrir We will grow into new markets once we have successfully launched, optimized, and scaled within Kenya. We have laid the groundwork for expansion into three new markets in Sub-Saharan Africa starting early 2014.. Soko has planned to expand vendor access for micro-enterprises in Kenya over the next year, and subsequently plans to expand to 17 countries in Africa (starting with Tanzania and Ghana), to Asia (India) and to Latin America (starting with Mexico). The initial consumer launch is planned for the US, with potential to scale globally.

We will pursue aggressive vendor recruitment in 2013. To grow our vendor network, we have a proven vendor recruitment strategy, that
leverages trust networks to grow sustainably. We will forge a new market niche with the vendors selling to thousands of customers around the world. By 2015, SOKO is expected to connect over 18,000 vendors from developing regions to global e-commerce and help them to gain access to formal banking. By then, we will have changed the face of international trade to be more distributed, equitable, and women-driven.

More info on http://shopsoko.com/

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