

Online delivery startup Gulivery scales across Somalia

By Tom Jackson 16 Mar 2018

Somalian online delivery startup Gulivery has already expanded to the capital Mogadishu after its launch in Hargeisa last year, and is planning expansion across East Africa over the next few years.



Gulivery.

<u>Gulivery</u> has developed a mobile app that allows people to order meals and groceries from restaurants and supermarkets, and have them delivered to their doors by the startup's delivery partners.

The startup was launched after husband and wife Deeq Mohamed Hassan and Sado Ali Baroot moved back to Hargeisa from London and realised there was a huge gap in the market.

"We had to buy lots of stuff for the house and sometimes needed delivery people ourselves, but we could not find any company that covered the last mile," Deeq said.

[&]quot;Usually, trusted taxi drivers run such errands, but they are too expensive and you don't always get exactly what you ordered. So we decided to do a quick assessment and we realised that we were not the only ones that wanted such a service and were ready to pay for it. That's when my wife said "maybe we should start a delivery company", and the rest is history."

It turned out there was quite the demand. Deeq and Sado funded the business from their savings initially, but raised funding from a local angel investor after one month of testing. With this backing, Gulivery was able to build its app and go to the next level.

"We never expected the demand to be this high. We've made over 700 deliveries in the first 10 weeks alone in Hargeisa. After one month, we started receiving lots of calls from Mogadishu, from people that wanted us to come there as well," Deeq said.

Gulivery initially had no direct competition, but after it launched in Mogadishu a handful of new delivery companies began operating.

"In Somalia, its normal that people start copying you as soon as you start something new or different," said Deeq.

"However, we knew this would happen and that we had three to six month advantage before competitors popped up. We started our operations on February 7 in Mogadishu. Even though there were three other competitors that started in January, we had the edge over them and made over 500 deliveries in the first month only, which was really unexpected."

Gulivery now has over 1,200 people signed up for its platform, with around seven per cent of those ordering at least two times per month. The startup charges delivery fees, but is not expecting profitability this year as its scales its services.

One major challenge has been finding motorcycle drivers to work for the company.

"We launched first in Hargeisa, and Hargeisa is not really a motorcycle city. You hardly see motorcycles driving around and the amount of people that know how to ride a motorcycle is really small," said Deeq.

"Also, motorcycles are really expensive, which discourages people from buying them in the first place."

That said, challenges are being overcome, and though he said Gulivery currently has its hands full in Somalia, Deeq does plan to take the service to other countries in the region in the next few years.

"My vision for Gulivery is to become the number one partner for moving packages door-to-door in East Africa in the next five years, with operations in all the main cities in East Africa," he said.

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