

Drone delivery picks up in Africa as Jumia partners with Zipline

By Bhargav Acharya 1 Sep 2022

Africa-focused e-commerce firm Jumia Technologies has partnered with drone-delivery startup Zipline to deliver household items to remote areas of Ghana.



Source: Reuters

The venture will combine San Francisco-based Zipline's automated, on-demand delivery system with Jumia's distribution network to enable customers from remote and rural areas to order and receive electronics, cosmetics, fashion and other products.

Jumia, an online marketplace for vendors and food sellers, with associated services including logistics and payments, was the first Africa-focused tech startup to list on the New York Stock Exchange in 2019. It has a current market capitalisation of \$741m, according to Refinitiv data.

Zipline and <u>#Jumia</u> join forces to pioneer <u>#drone</u> delivery of thousands of products to homes across <u>#Africa</u>

<u>#ecommerce</u> <u>#logistics</u> <u>#ghana</u> <u>@zipline</u> <u>pic.twitter.com/Qs4wsQqRL9</u>— Jumia Group (@Jumia_Group) <u>September 1, 2022</u>

The new venture is part of Jumia's plan to reach its growing customer base in such areas, which make up about 27% of the company's deliveries, a Jumia spokesman told *Reuters*, adding he could not immediately give financial details of the project.

"This will... provide much-needed access to rural and remote areas where conventional delivery services have challenges," said Apoorva Kumar, Jumia Group chief operating officer.

Beyond medical supplies

Drone deliveries of medical supplies and vaccines picked up pace during the Covid-19 pandemic as countries and companies rushed to find innovative ways to reach people when movement of goods was restricted.

Many companies are now looking beyond medical needs, with Amazon.com Inc, United Parcel Service Inc and FedEx Corp all working on several pilot programmes to deliver household goods and other services to customers.

Zipline currently offers drone delivery of blood, vaccines and other medical equipment in Ghana, Rwanda, Nigeria and the United States, with its most recent foray into Japan.

After a successful pilot programme and testing in Ghana a few months ago, Jumia and Zipline plan to expand into Ivory Coast and Nigeria, they said in a statement, but gave no timeframe.

Jumia operates in 11 African countries and has more than 30 warehouses and 3,000 drop-off and pick-up stations in its logistics network.

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