

KEPSA E-COMMERCE BOOSTER PROGRAM

Final Report

Implementing Organization: Kenya Private Sector Alliance (KEPSA)

Supported by: Trademark East Africa (TMEA)

Funded by: European Union & FCDO

Technical Assistance: Amari Consulting Limited

Report By:



Amari Consulting Ltd
Yaya Centre, Nairobi, Kenya
www.amariconsult.com
hello@amariconsult.com

Table of Contents

Acronyms and Abbreviations.....	2
Executive Summary.....	3
1. <u>Introduction.....</u>	4
1.1. <u>Background.....</u>	4
1.2. <u>Rationale.....</u>	5
1.3. <u>Components.....</u>	6
1.4. <u>Objectives.....</u>	6
1.5. <u>KPIs.....</u>	7
2. <u>Implementation/Approach & Methodology.....</u>	7
2.1. <u>Project Team.....</u>	7
2.2. <u>Project Implementation Plan.....</u>	9
2.3. <u>Marketing & Communication Plan.....</u>	10
2.4. <u>Launch.....</u>	12
2.5. <u>Mobilization and Registration.....</u>	14
2.6. <u>Training and Onboarding.....</u>	18
2.7. <u>Partnerships.....</u>	21
2.8. <u>Risk Management.....</u>	22
3. <u>Feedback.....</u>	26
4. <u>Challenges.....</u>	33
5. <u>Recommendations</u>	33

Acronyms & Abbreviations

TMEA	Trademark East Africa
KEPSA	Kenya Private Sector Alliance
EU	European Union
FCDO	Foreign Commonwealth and Development Office
PIP	Project Implementation Plan
MSME	Micro, Small and Medium Sized Enterprise
TA	Technical Assistant
KPI	Key Performance Indicator
M&E	Monitoring and Evaluation
QC	Quality Control
RC	Results Chain
ISP	Internet Service Provider
B2B	Business to Business
B2C	Business to Consumer

Executive Summary

The Kenya Private Sector Alliance (KEPSA) with the support of Trademark East Africa (TMEA), funded by the European Union and Foreign, Commonwealth & Development Office (FCDO), rolled out the **KEPSA E-commerce Booster Program** over a period of six months from **February 2021 to July 2021**. The program aimed to support Micro, Small and Medium Enterprises (MSMEs) in the wholesale and retail, food services and logistics sectors with little or no e-commerce presence to get on board e-commerce platforms to increase and diversify revenue streams during and post the COVID-19 period.

The main objective of the program was to support and build capacity for MSMEs to engage in e-commerce through training **2000 MSMEs** on e-commerce and digital marketing as well as on-boarding them onto various e-commerce platforms and providing linkages for domestic and cross-border e-commerce.

The program was officially launched on 25th February 2021. Training commenced on 1st March 2021. A Total of 2630 businesses registered for the program, with 2545 qualifying. All the 2545 businesses were trained and/or given access to the training content. Of the 2545, 1605 businesses were successfully onboarded onto various digital platforms - a success rate of 63.79%.

The program established partnerships with key e-commerce players including Jumia Kenya, DHL Express, Ajua, Google through Africa 118, Paytree Group, Anzili, Pesapal, Adshop, who also facilitated Friday Guest Webinars and offered various solutions to the beneficiary businesses.

The program registered an impressive high satisfaction rate of over 90%.

This Report provides detailed information on the program background, implementation, results, feedback, challenges, and recommendations.

1. Introduction

1.1. Background

TradeMark East Africa (TMEA) is a multi-donor funded, not-for-profit organisation, established in 2010 to promote regional trade and prosperity in East Africa. TMEA combines a regional approach with national-level interventions and works closely with East Africa institutions (e.g., East African Community EAC Secretariat, Corridors Authorities), national governments, and private sector and civil society organisations. TMEA has its headquarters in Nairobi - Kenya with branches in Burundi, Rwanda, South Sudan, Tanzania, Uganda and The Democratic Republic of Congo (DRC).

TMEA recently revised its strategic focus in line with national, regional and global priorities as defined in its new corporate strategy (2017 – 2023). The revised Theory of Change (TOC) is anchored on two strategic objectives:

- (i) Reduced Barriers to Trade; and
- (ii) Improved Business Competitiveness

Under the improved business competitiveness strategic objective is TMEA's Export Capability programme. The objectives of the programme is to facilitate increased trade capacity of targeted businesses through increased use of technology to boost regional trade and linking businesses to international markets. TMEA plans to implement the Supporting E-commerce Ecosystem Development (SEED) programme that will support interventions focused on boosting cross border e-commerce through improved efficiency within the ecosystem.

The Kenya Private Sector Alliance (KEPSA) is a limited liability membership organization registered in 2003 as the apex body of the private sector in Kenya, to drive economic development through year-on-year improvements in business environment, driving investments and addressing socio economic issues with partners.

KEPSA brings together business associations, corporate bodies, SMEs and start-ups to speak in one voice, working closely with Government and other stakeholders through structured public – private dialogue platforms and other engagement mechanisms.

Amari Consulting Limited is a full service e-commerce agency and consulting firm based in Nairobi Kenya. The company's mission is to help African businesses harness the power of the internet and scale. Amari Consulting offers consulting, training and project management services in e-commerce, online branding and digital marketing

KEPSA, with the support of TMEA and technical assistance from Amari Consulting, rolled out the KEPSA E-commerce Booster Program over a period of six months from February 2021 to July 2021. The program aimed to support MSMEs in the wholesale and retail sector with little or no e-commerce presence to get on board e-commerce platforms to increase and diversify revenue streams during and post the COVID-19 period. This is key to thriving entrepreneurship, job retention and an explosion of job creation momentum in Kenya. The E-commerce Booster Program saw expansion of KEPSA's partnership with its e-commerce member, Jumia, to on-board SMEs onto the e-commerce platform to include other ecommerce platforms so as to support Kenyan SMEs to expand their local and cross-border e-commerce presence.

1.2. Rationale

The **COVID-19 pandemic** occasioned an increased reawakening of the role of e-commerce. Due to the pandemic, there has been increased use of ecommerce as consumers and retailers adapt to lockdown and social distancing measures drawing attention to several challenges hindering the full potential of e-commerce across countries.

Key messages that emerged:

- 1) The enforcement of social distancing, lockdowns and other measures in response to the COVID-19 pandemic led consumers to ramp up online shopping, social media use, internet telephony and teleconferencing, and streaming of videos and films.
- 2) This resulted in spikes in business-to-consumers (B2C) and business to-business (B2B) e-commerce. The increase in B2C sales is particularly evident in online sales of medical supplies, household essentials and food products.
- 3) Demand also increased for internet and mobile data services. The network capacity and spectrum to accommodate the shift to online activities urgently had to be adapted by both operators and governments. Demand fell, however, for certain services with a large online component, such as tourism services.
- 4) The pandemic highlighted the many traditional obstacles that have continued to hamper greater participation in e-commerce activities by small producers, retailers and consumers in African countries, particularly in least-developed countries (LDCs). This underscored the need for efficient and affordable ICT services, such as telecommunication, computer and other IT services and emerging technologies.
- 5) Several other e-commerce-related challenges arose or were further amplified during this pandemic. These include price gouging (i.e. increasing prices to unreasonably high levels), product safety concerns, deceptive practices, weak delivery logistics, cyber security concerns, exceptionally low consumer digital trust, low basic ICT knowledge by businesses and customers, weak interoperability of payment systems, the need for increased bandwidth, universal connectivity and affordability of internet, and development-related concerns.
- 6) Governments adopted new measures, and the private sector also acted, to respond to and ensure that e-commerce can help to alleviate some of the challenges faced in combating the virus. Interventions included telecommunication companies like Safaricom and Airtel increasing their network capacity, offering expanded data services at little or no cost, lowering or scrapping transaction costs on digital payments and mobile money transfers, improving delivery services and other logistics, using digital tools to enforce measures and disseminate information, promoting telehealth services, and leveraging ICT for surveillance.
- 7) The Covid-19 pandemic made it clear that e-commerce can be an important tool/solution for consumers. E-commerce can also support small businesses and, by making economies more competitive, be an economic driver for both domestic growth and international trade.
- 8) The pandemic highlighted the importance of digital technologies in general, but also several vulnerabilities across the world. The resulting experiences and lessons are relevant to various discussions within the continental African FTA, including those on electronic commerce, which could benefit from looking at greater continental

cooperation to facilitate the cross-border movement of goods and services, narrow the digital divide, and level the playing field for micro, small and medium-sized enterprises (MSMEs).

1.3. Components

Component 1: E-commerce for domestic market: Under this component, the program identified and partnered with strategic e-commerce platform providers to develop and provide solution offerings to Kenyan retailers to catalyse on-boarding to existing e-commerce platforms

Component 2: E-commerce for overseas markets: This component targeted Kenyan retailers and manufacturers keen to export their products to overseas markets for the first time to kick-start their cross-border online businesses. It helped connect such SMEs – whether manufacturers, retailers or distributors of products – to cross-border ecommerce solution providers, to list and sell their products on multiple overseas e-marketplaces.

Component 3: Digital marketing capabilities for retailers: This component sought to build capacity of the enrolled SMEs to raise their proficiency in implementing effective digital campaigns, and increase their brand awareness, value, and sales conversions across multiple digital channels. This intervention sought to ensure sustainability of the intervention in the long-term.

1.4. Objectives

Overall, the e-commerce booster program aimed to contribute to the increased uptake of e-commerce in Kenya; Improved e-commerce skills, Digital Marketing Capacities and Assessments for SMEs; Improved domestic and external market access for producers and retailers via e-commerce platforms; and Change of operational behaviours for SMEs.

This was set to be achieved by training 2000 SMEs on e-commerce and digital marketing and on-boarding them to various e-commerce platforms.

Specific Objectives

1. To help SMEs gain the digital skills necessary to engage in a digital economy and improve livelihoods.
2. To support SMEs in the wholesale and retail sector with little or no e-commerce presence to get on board e-commerce platforms to increase and diversify revenue streams during the COVID-19 period
3. To support Kenyan SMEs to expand their local and cross-border e-commerce presence.
4. To build capacity of SMEs to raise their proficiency in implementing effective digital campaigns, and increase their brand awareness, value and sales conversions across multiple digital channels

1.5. KPI's

The following were used as the main key performance indicators for the project:-

1. Number of SMEs Trained on e-commerce and digital marketing
2. Number of SMEs on boarded onto online marketplaces

2. Implementation/Approach & Methodology

2.1. Project Team

The project team was comprised of the following:

TMEA

TMEA played an oversight role to ensure all expected deliverables as defined in the scope of work, tasks and outputs were accomplished.

Team Members

1. Anataria Karimba - Director, Export Capability Program
2. Simon Konzolo - Project Manager, Business Competitiveness
3. Ann Mbiruru - Sr. Communication Manager

KEPSA

KEPSA was tasked with preparation and management of all logistical work and arrangements necessary for smooth running of the program; Development of the TORs for recruitment of the required personnel for delivering the assignment; Popularizing the project amongst the business community and government; Reviewing, providing feedback and offering quality control on reports developed by the TA and Providing a post consultancy report confirming all the expected deliverables as defined in the scope of work, tasks and outputs have been accomplished.

Team Members

1. Victor Ogalo - Head of Policy Research & Analysis and Public-Private Dialogue
2. Boniface Mutinda - Communications & Digital Officer
3. Aphlyne Agina - Head of Operations
4. Dr. Ehud Gachugu - Director, Ajira Project
5. Hilda Muchunku - Finance Manager

AMARI CONSULTING

Amari Consulting Ltd provided technical assistance for the program and executed the following:

- Overall Project Management: Managed the full project cycle from initiation, planning, execution, monitoring and closure;
- Project Communication Road Map: Developed a clear communication plan to enable effective communication with the project team and all stakeholders covering project awareness raising and visibility, implementation progress and impact;
- Partners and Stakeholders Mobilization and Coordination: Supported the identification of and partnering with strategic e-commerce players and stakeholders to develop and provide solution offerings to 2,000 Kenyan businesses to catalyse on-boarding;
- Supported KEPSA in the development of Terms of Reference (TORs) for consultants, job descriptions for support staff, design of coordination structure, delivery mechanism to ensure timely delivery of tasks as defined in the (TOR);
- Selection and Registration of 2000 SMEs: Determining, in consultation with TMEA and KEPSA, the selection criteria used to qualify the program beneficiaries primarily targeting wholesale and retail players in essential services i.e. food supplies, medical and hygiene products;
- Development and Validation of Training Curriculum: Designed e-commerce and digital marketing training curriculum.
- Training: Conducted online training of beneficiary SMEs and capacity building of relevant KEPSA support staff to facilitate skills transfer;
- On-boarding: Guided and facilitated on-boarding of the SMEs to Business to Business (B2B) and Business-to-Consumer (B2C) e-commerce platforms and provided the required technical support to ensure sustainability of online trade.
- Monitoring & Evaluation (M&E) Quality Control - Provided support in ensuring an appropriate monitoring and evaluation system is in place and functioning satisfactorily; and
- Reporting: Designed the overall reporting structure and tools for the project and development of monthly progress reports.

Core Team Members

1. Abigail Bundi - Project Lead
2. Christine Nyairo - Project Coordinator
3. Beryl Subia - Training & Onboarding Lead

OTHERS PERSONNEL

1. Digital Consultant

Ngamia Haulers Platform was contracted to develop digital transformation learning tools and e-commerce manuals/starter packs/guides/factsheets to serve as information resources/reference documents for MSMEs, and to develop a digital portal to host the developed tools/resources/reference documents. Specifically, the portal developed incorporates the following :

-Industry digital guides for retail, wholesale, food services and logistics sectors highlighting and visualizing key business touchpoints where digitization can greatly support MSMEs to improve productivity and conduct e-commerce with ease.

- An easy-to-use MSME e-commerce Audit Toolkit to enable MSMEs in the four sectors undertake an online self-assessment of digital-readiness of their businesses.
- “Going Digital Starter Packs” to assist MSMEs that are new to using digital technology to start their business right with foundational and easy-to-deploy digital solutions
- Ecommerce fact sheets containing all possible “Frequently Asked Questions (FAQs)” and thought-provoking facts about e-commerce and their appropriate answers that would help MSMEs appreciate the dynamics of the e-commerce space better
- Digital Marketing Manual for MSMEs

The portal (www.ebp.kepsa.or.ke) was launched on 29th July 2021 and is live. For sustainability, KEPSA organized an internal team which has been trained and is receiving support from Ngamia Haulers Platform.

2. Support Staff/Program Associates

20 Project Support Staff were recruited to offer support in onboarding the beneficiary MSMEs onto various e-commerce channels. The project support staff (program associates) were recruited with support from Ajira Digital. The Project Support Staff underwent a thorough training to prepare them for the task. The training entailed the modules the MSMEs were trained on as well as customer service. The team successfully provided post-training aftercare to MSMEs to assess their successes, limitations and challenges and support them in their onboarding process and providing weekly reports.

2.2. Project Implementation Plan

The project was implemented in three phases over a period of six months from February 2021 to July 2021. Specific tasks and timelines when they were executed are as captured in the table below.

PHASE 1 - Inception	Activity	Proposed Timeline	In Charge
TASK 1: Preparation of project Implementation Plan, Systems & Structures			
1.1	Project Implementation Plan	February	AMARI CONSULTING
1.2	Communication Plan	February	AMARI CONSULTING/KEPSA
1.3	KPIs, M&E and Quality Control Plan	February	TMEA/KEPSA
1.4	Risk Management Plan	February	AMARI CONSULTING
1.5	Reporting Plan	February	AMARI CONSULTING
1.6	Inception Report	February	AMARI CONSULTING
TASK 2: Partner Selection & Mobilization			
2.1	Partners Selection criteria & Tool	February	AMARI CONSULTING/KEPSA
2.2	Partnership communication templates	February	AMARI CONSULTING/KEPSA

2.3	Partnership agreements & mobilization	February	AMARI CONSULTING/KEPSA
TASK 3: Recruitment of Support Staff			
3.1	Digital Consultant - Selection Criteria, TOR, JD & Contract	February	AMARI CONSULTING/KEPSA
3.2	Support Staff - Selection Criteria, TOR, JD & Contract	February	AMARI CONSULTING/KEPSA
3.3	Hiring - Digital Consultant & Support Staff	February	KEPSA
3.4	Training of Support staff	February	AMARI CONSULTING
TASK 4: SME Selection & Mobilization			
4.1	SME Selection criteria & Tool	February	AMARI CONSULTING/KEPSA/TMEA
4.2	SME communication templates (letters/fliers)	February	AMARI CONSULTING/KEPSA
4.3	SME agreements	February	AMARI CONSULTING/KEPSA
4.4	SME Mobilization	February	KEPSA
LAUNCH - 25/02/2021			
PHASE 2 - Training & Onboarding			
TASK 1	Development of Training Curriculum	February	AMARI CONSULTING
TASK 2	Validation of Training Curriculum	February	KEPSA/TMEA
TASK 3	Management of Support Staff	March - June	AMARI CONSULTING
TASK 4	Training	March - June	AMARI CONSULTING
TASK 5	Onboarding	March - June	AMARI CONSULTING
TASK 6	Follow up	March - June	AMARI CONSULTING

2.3. Marketing and Communication

The below communication plan was developed, adopted and implemented to manage communication among project team members, partners and stakeholders.

PHASE 1 - Inception	Activity/Deliverable	Objectives	Communication Channel	Period/Frequency	Owner
TASK 1: Preparation of project Implementation Plan, Systems & Structures					
1.1	Project Implementation Plan	To lay out the project implementation framework	Physical & Virtual Meetings, Emails, Phone Calls	Weekly	AMARI
1.2	Communication Plan				

1.3	KPIs, M&E and Quality Control Plan				
1.4	Risk Management Plan				
1.5	Reporting Plan				
1.6	Inception Report				
TASK 2 - Partner Selection & Mobilization					
2.1	Partners Selection criteria & Tool				
2.2	Partnership communication templates		Physical & Virtual Meetings, Emails, Phone calls	Weekly	
2.3	Partnership agreements	To secure partners for the project - Online marketplaces, Digital payment Solutions Providers & Logistics Service Providers	Social Media Posts and Ads, Emails, Phone calls, Press Release		
2.4	Call for Partnerships			2 Weeks	KEPSA
TASK 3 - Recruitment of Consultant & Support Staff					
3.1	Digital Consultant - Selection Criteria,TOR, JD & Contract				
3.2	Support Staff - Selection Criteria,TOR, JD & Contract				
3.3	Hiring - Digital Consultant & Support Staff	To recruit a digital consultant and support staff for the project	Physical & Virtual Meetings, Emails, Phone calls	3 Weeks	KEPSA
3.4	Training of Support staff	To ensure the support staff understand their role in supporting the training & onboarding of SMEs	Physical & Virtual Meetings	1 Week	AMARI
TASK 4 - SME Selection & Mobilization					
4.1	SME Selection criteria & Tool				
4.2	SME communication templates (letters/fliers)				
4.3	SME agreements -Terms for engagement		Physical & Virtual Meetings, Emails, Phone Calls	4 Weeks	AMARI/ KEPSA
4.4	SME Mobilization/Call for SME Registration	To secure 2000 SMEs to be trained and onboarded on marketplaces	Social Media Posts and Ads, Influence rs, TV and Radio Ads, Emails, Press Releases, Bulk SMS,launch event	Weekly	KEPSA
PHASE 2 - Training & Onboarding					
TASK 1	Development and Validation of Training Curriculum	To design and approve a suitable training framework	Virtual and Physical team meetings, Emails, Virtual training and onboarding meetings with the businesses, Calls and bulk SMS		
TASK 2	Management of Support Staff	Review progress in onboarding			
TASK 3	Training	Review progress in training and onboarding			
TASK 4	Onboarding				
TASK 5	Follow up	To track progress post onboarding		Weekly	AMARI

TASK 6	Training & Onboarding Reports	Submission of training and onboarding reports			
PHASE 3 - Final Report/Project Closeout					
TASK 1	Final Report	Presentation and submission of final report	Physical and Virtual Meetings and Email	1 Month	AMARI

An integrated marketing communications approach with a focus on digital channels was adopted to optimize marketing and publicity of the E-commerce booster program. Co-branding on all marketing collateral ensured that all partners' brands received value from the various marketing and PR activities undertaken. A Facebook group was also started to give extra support and relay information to the SMEs - the group has a current membership of 905.

“Build Kenya Go Digital” was identified as the campaign theme but was later revised to ‘Shift Digitize Thrive’.

2.4. Launch

2.4.1. Attendance

The Program was officially launched on Thursday 25th February 2021 from 10:00a.m to 12:30p.m at the Serena hotel, Nairobi. The semi-virtual event saw about 16 people attending physically - due to the covid-19 restrictions - and more than 180 people joined virtually via zoom platform.

In attendance was the Ministry of Industrialization, Trade & Enterprise Development, Ministry of ICT, Innovation and Youth Affairs, Trademark East Africa, European Union, Foreign, Commonwealth and Development office (FCDO), Amari Consulting Ltd, Retail Traders Association of Kenya (RETRAK) and members of the 4th estate.

Also in attendance were over 100 MSMEs that had already registered for the program and 20 program associates.

2.4.2. Key Messages

In her opening remarks, **KEPSA CEO, Ms. Carole Kariuki Karuga** said that in addition to the e-commerce Booster Program, KEPSA will seek further engagements with the government on e-commerce Policy.

“When Covid-19 hit in early 2020, it re-awakened the digital revolution amid lock-downs, curfews and work from home arrangements. Internet usage surged along with online shopping, social media use, virtual meetings and streaming of online content. Business-to consumer (B2C) and business to business (B2B) sales spiked for businesses that were able to provide their products/services through online platforms.” Ms Karuga said.

Speaking during the launch, the **Cabinet Administrative Secretary Chief Administrative Secretary, Ministry of Industrialization, Trade & Enterprise Development, Mr. David Osiany**, who was the chief guest commended KEPSA for rolling out the initiative.

“One of the many key strategies the Ministry is putting in place as a Post-COVID-19 recovery is the development of local talent to assemble computer and electronics products and government incentives to make end products cheaper. As a government we wish to extend our appreciation to all partners; Trade Mark East Africa, European Union and Foreign Commonwealth and Development Office for their continued support and for making this launch happen. The Ministry continues to assure Government support to the MSMEs Sector and we welcome KEPSA to partner with Micro and Small Enterprise Authority (MSEA) under the Ministry.”

TMEA Kenya Country Director, Ahmed Farah HSC, remarked that “E-commerce is now a key complementary sector that will enable industrialisation - one of the government’s Big 4 Development agendas - to take off. E-commerce provides ways of not only marketing but also for businesses to provide the produced goods effectively to the rest of the world. Supporting the private sector to increase its competitiveness is at the core of TMEA’s work in the country. We believe this combined approach will contribute to the agenda of creation of jobs, improving incomes, fighting poverty”

Martijn Boelen - EU Trade advisor, Delegation of EU in Kenya commended KEPSA for the launch and its efforts in driving the ecommerce agenda and pledged to continue in support of the e-commerce agenda.

Sheena Raikunda - Director, UK Tech Hub commended KEPSA for the program, particularly for including training and onboarding of SMEs to market places; acknowledging that digital platforms will increase market access for the businesses and that establishing trust plays a key role in the success of online businesses.

2.4.3. Panel Discussion

- ❑ Key challenges raised relating to ecommerce in Kenya included the addressing systems, policies, trust and security limitations as well as access to funding for MSMEs.
- ❑ E-commerce noted to be dominant and rapidly growing in Urban areas of the country thus necessitating the need for rural based interventions to grow e-commerce in rural areas
- ❑ E-commerce is recognized as an important tool to facilitate access to financing due to readily available transaction data and records on the online marketplaces.
- ❑ Public transport e.g 2NK recognized for their role in logistics.
- ❑ KEPSA has been actively involved in the Digital Tax conversation through research and lobbying for a tax regime that does not stifle businesses
- ❑ Developing e-commerce solutions that respond to our local needs was emphasized. Looking at what is already working and building on it was encouraged.
- ❑ The government has embarked on the following initiatives to support the development of the e-commerce ecosystem:-
 1. Mapping out areas that can help in accelerating the growth of the digital economy
 2. National addressing system policy framework currently being developed
 3. Increasing national fibre optic infrastructure in addition to efforts targeting affordability of internet access costs
 4. Building digital skills through initiatives such as Ajira
 5. Building the innovation sector through initiatives such as White box alongside building skills and access to funding
 6. Development of delivery points such as POSTA to be efficient
 7. Regional collaborations such as with FTA and EAC with efforts directed towards harmonization of frameworks

Panelists:

Victor Ogalo - Head of Research & PPD, KEPSA, **Jane Munga** - Economic Expert at NCS (National Communications Secretariat) and Advisor to the Cabinet Secretary Ministry of ICT, Innovation and Youth Affairs, **Abigail Bundi** - CEO, Amari Consulting Ltd, **Anataria Karimba** - Director, Export Capabilities Program, Trademark East Africa, **Wambui Mbarire** - CEO, Retail Trade Association of Kenya

2.5. Mobilization and Registration

Mobilization for registration began in February and closed on 10th May 2021. A Simple typeform was used as the registration tool. **A total of 2630 businesses registered with 2545 businesses qualifying for the program.**

Mobilization was done through the KEPSA membership and associated BMOs database, social media as well as by engaging Media Personality and Influencer Caroline Mutoko to drive registration. Through the marketing and communications efforts put in place, the program exceeded the target number of 2,000 for SME registration and reached over 100,000 viewers online

2.5.1. Selection Criteria

MSMEs were selected according to the below criteria:-

Business entity registered in Kenya
A Micro, Small and Medium Enterprise (1-100 employees)
Business in essential services e.g food supplies and medical, Wholesale, Retail, Logistics, Food Services
Business entity with little or no digital presence
Business in need of e-commerce training/capacity building

2.5.2. Demographics

Gender

Of the 2630 participants that registered, 1526 are female and 1104 are male

**2 Gender**

2630 out of 2630 people answered this question

**Sectors**

Most of the registrants are in the Services and Consultancy, Food and Beverage, Agriculture and Fresh produce sectors among other smaller related sectors including textiles & apparel, beauty, building & mining, general supplies.

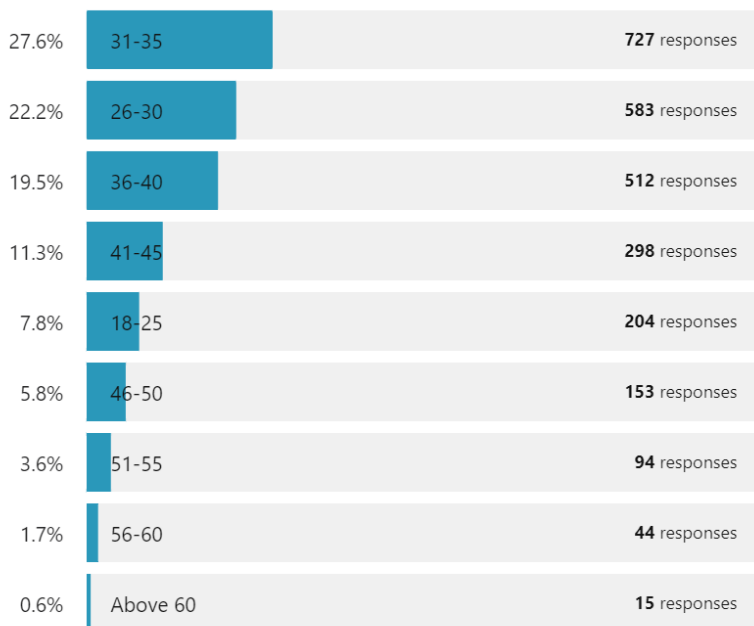
✓ 13 Which of the sectors below best describes your business category?

2630 out of 2630 people answered this question



Age

69.3% of the registrants are aged between 26 and 40 years, with the 31 to 35 age group being the largest group (27.6%).

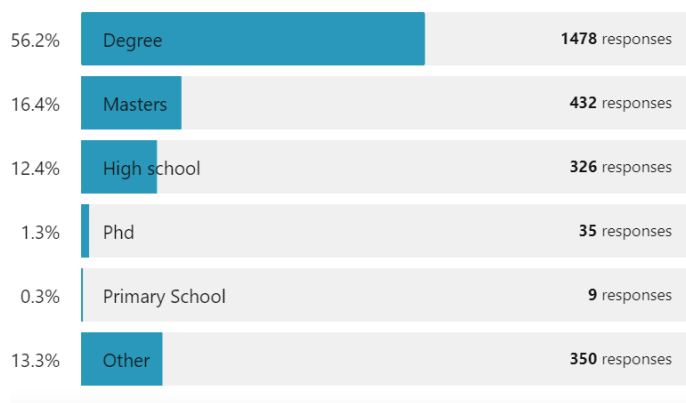


Education

Majority of the trainees have high school education or higher with majority (56.2%) having an undergraduate degree

✓ 4 Highest Level Education

2630 out of 2630 people answered this question

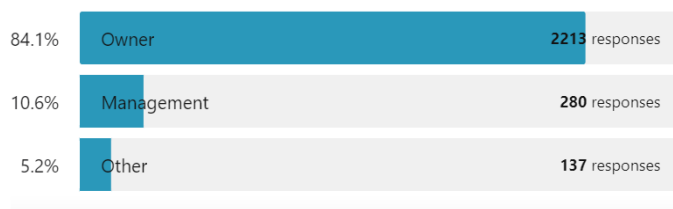


Role

84.1% of the registrants are the business owners

✓ 8 Role

2630 out of 2630 people answered this question

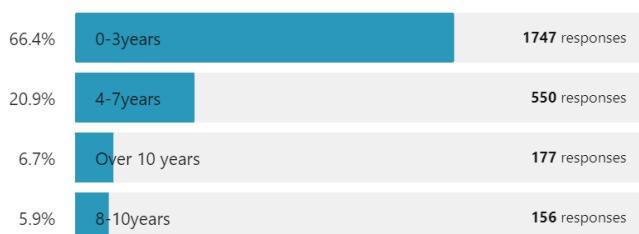


Years in Business

66.4% of the businesses have been in existence for 0 - 3 years

✓ 10 How long has your company been in operation?

2630 out of 2630 people answered this question



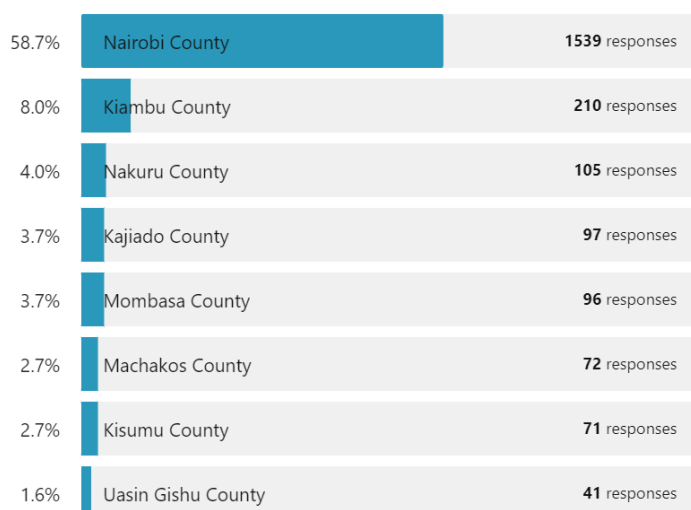
Geographic distribution

Majority (66.7%) of the registrants are from Nairobi and Kiambu Counties with less than 1% coming from the counties of Isiolo, Mandera, Tana River, Wajir, Marsabit and West Pokot

0.0%	Isiolo County	1 response
0.0%	Mandera County	1 response
0.0%	Tana River County	1 response
0.0%	Wajir County	1 response
0.0%	Marsabit County	0 responses
0.0%	West Pokot County	0 responses

✓ 11 Where is your business located?

2621 out of 2630 people answered this question

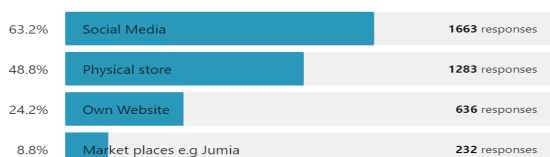


Sales Channels

Many of the registrants have physical stores with the most popular online sales channel being social media. A few have their own websites though most aren't e-commerce enabled and even less are on e-commerce marketplaces. This data further supports the need for the MSMEs to increase their digital sales channels, particularly online marketplaces so as to stay in business during and post the pandemic.

✓ 15 Which channels do you currently use to sell your products/services?

2630 out of 2630 people answered this question (with multiple choice)



Challenges Faced by the SMEs

The registrants listed digital marketing, content creation, website development and management, access to finance, payments and logistics as the top challenges that they face when trading online.

✓ 19 What challenges do you face when selling online within Kenya and cross border? (state the challenges specific to your context)

2630 out of 2630 people answered this question (with multiple choice)



2.6. Training and onboarding

Training commenced on 1st of March 2021. Classes were conducted virtually on zoom, every Monday to Friday from 10am to 12am. The training conducted over 64 sessions covered 4 main modules - Introduction to e-commerce, Content Creation & Management, Online Branding & Digital Marketing and Aftersales with a Guest/Partner session every Friday.

2.6.1. Training Structure

REGISTRATION	TRAINING					ONBOARDING			ASSESSMENT & CERTIFICATION
	DAY 1	DAY 2	DAY 3	DAY 4	DAY 5	DAY 6			
	INTRODUCTION TO E-COMMERCE	CONTENT CREATION & MANAGEMENT	ONLINE BRANDING & DIGITAL MARKETING	AFTERSALES	GUEST SESSION	WEBSITE	SOCIAL MEDIA	MARKETPLACE	
	AMARI CONSULTING				INDUSTRY EXPERTS	SUPPORT STAFF			
	SELF STUDY SHORT COURSES								

2.6.2. Course Content

MODULE 1	OUTLINE	OBJECTIVES	OUTCOME
Introduction to e-commerce	<ul style="list-style-type: none"> - What is E-commerce - Advantages & Disadvantages of E-commerce - E-commerce Business Models - The e-commerce process chain - Developing your e-commerce strategy - E-commerce platforms 	<ol style="list-style-type: none"> 1. Learn what e-commerce is, its benefits and application, the different business models 2. Learn how to develop an e-commerce strategy for your business. 3. Learn the different online sales channels and understand the advantages and disadvantages of each. 4. Learn how to choose your e-commerce platform and set up your online store 5. Identify relevant local and international e-commerce platforms for your business. 	<ul style="list-style-type: none"> -Have a basic understanding of e-commerce, its benefits and application. -Gain the tools needed to develop an e-commerce strategy for your business -Be able to identify and set up the e-commerce platform that's best suited for your business

MODULE 2	OUTLINE	OBJECTIVES	OUTCOME
Content creation and Management	<ul style="list-style-type: none"> - Introduction - Types of content - How to create different types of content - Tools for creating content - Content Management Systems 	<ol style="list-style-type: none"> 1. Understand the process of content creation and dissemination 2. Learn how to generate various content for various media 3. Learn how to edit different content for different media 4. Learn automated systems and processes for content management 5. Learn applications of different content and content management systems 	<ul style="list-style-type: none"> -Be in a position to create, edit and manage different types of content on different digital media

MODULE 3	OUTLINE	OBJECTIVES	OUTCOMES
Online Branding	<ul style="list-style-type: none"> -Introduction -Brand audit -Creating a Strong brand -Case Study -Assignment 	<ol style="list-style-type: none"> 1. Equip participants to establish solid online brands and manage their brands online 	<ul style="list-style-type: none"> -Have the knowledge and tools to conduct a brand audit and create brand identity -Be able to apply learnt online brand strategies to e-commerce platforms
Digital Marketing	<ul style="list-style-type: none"> -Introduction -Selecting channels -Finding your voice -Digital marketing planning/campaign planning -Monitoring and analytics 	<ol style="list-style-type: none"> 1. Learn the different digital marketing channels: social media, email marketing, affiliate marketing and influencer marketing. 2. Understand the advantages and disadvantages of each of the channels 3. Learn how to research, plan, implement, test and measure digital marketing campaigns 	<ul style="list-style-type: none"> -Have an understanding of digital marketing and be able to Confidently develop and implement a digital marketing plan/campaign for your business

MODULE 4	OUTLINE	OBJECTIVES	OUTCOMES
Aftersales	<ul style="list-style-type: none"> - Payment - Logistics - Return & Refund Policy - Dispute Resolution - Retargeting - Remarketing - Customer Service 	<ol style="list-style-type: none"> 1. Learn the different payment options 2. Understand the delivery cycle and how to effectively manage it 3. Learn the importance of a return & refund policy and how to develop one 4. Learn how to retarget and remarket to your converted customer to ensure repeat sales 5. Learn how to setup and manage your customer service 	<ul style="list-style-type: none"> -Show understanding of after sales best practice and incorporate them in their online operations

2.6.3. Onboarding

After successful training ,each participating MSME was assigned a dedicated program associate to onboard them onto the relevant digital platforms/marketplaces and offer any other technical assistance. The objective of the onboarding was to ensure that the participating MSMEs have presence on at least three different digital platforms - website, social media and a marketplace. **A total of 1605 businesses were successfully onboarded onto various digital platforms - a success rate of 63.79%.**

2.7. Partnerships

The program established partnerships with key e-commerce players including Jumia Kenya, DHL Express, Ajua, Google through Africa 118, Paytree Group, Anzili, Pesapal, Adshop, who also facilitated Friday Guest Webinars. The partners offered various solutions to the beneficiary businesses as seen in the table below

Partner	Sector
Jumia Kenya	Marketplace
DHL	Logistics
Pesapal	Payments
Adshop	Advertising
Ajua	Research, Data Collection & Customer Engagement
Ebanqo	Customer Engagement
Google through Africa 118	Marketplace and Advertising
Infosphere	Cyber Security Firm
Paytree Group	Payments
Anzili	Website Development

2.8. Risk Management

Type of Risk	Description	Probability	Impact	Mitigation
SCOPE	Misunderstood scope/ objectives among program associates	Medium	High	
	Changes in project requirements	Medium	Medium	-Held regular meetings with team to lay out and re-affirm the scope and deliverables
	Inaccurate assumptions on technical issues in planning stage	Medium	High	-Held regular project review meetings and documented changes in minutes -Negotiation
HUMAN RESOURCES	Low performance among project team members	Medium	High	
	Losing critical staff especially associates at crucial points of the project	Medium	High	-Reached out to the concerned staff to establish reasons for low performance, worked with them to set targets and provide needed support to ensure delivery. In extreme cases, re-allocated some tasks to performing staff.
	Unresolved project conflicts not escalated in a timely manner	Medium	High	-Ensured proper documentation structure that facilitates smooth handover to incoming personnel and conducted performance monitoring and reviews -Implemented clear reporting structure that enabled timely escalation and prioritization intervention
	No control over project team members own priorities	High	High	- Conducted regular check in sessions to evaluate progress against deliverables
TECHNICAL	Poor internet connection hampering meeting among the project team members, suppliers and SMEs	High	High	Providing for an alternative service provider
	Delays in providing of IT capability set up for project team members and trainees e.g email set up, passwords	Medium	High	-Worked closely with KEPSA IT support team to map out what support was needed and when it will be required for advance preparations
	Pressure to reduce task durations and or run tasks in parallel which would increase risk of errors especially onboarding	High	High	-Negotiated for additional extension
	Unplanned work that needed to be accommodated	Medium	High	-Developed a scope and timeline planning that left margin for unplanned work -Asked for assistance from capable project team members
QUALITY	Insufficient skills among associates	Medium	High	-Ensured staff hired were trained first before onboarding the SMEs

				-Pairing of those with insufficient skills with those with relevant skills -Additional support from trainers
SCHEDULE	Insufficient time to implement some of the activities	Medium	Medium	-Negotiated for a no-extension
	Not enough time to plan changes in priorities	Medium	High	
	Unrealistic time estimates and or scheduling error	Medium	High	-Held regular consultations and activity reviews -Updated timetables with emerging information
	Staff/consultant delays	High	High	Regular check-ins with team members with immediate escalation and acting on on delay reports
STAKEHOLDERS	Lack of MSMEs & Partners management, commitment and support	Medium	High	-Implement campaign targeting SMEs countrywide to increase the target pool -Close follow-ups by support staff -Award certificates upon successful completion of courses to motivate the SMEs -Opened a facebook online community for peer to peer support
	Incomplete onboarding	Medium	High	
	Businesses relapsing after onboarding	High	High	
	Delays in communication, replies, and answers from the SMEs & Partners	High	High	
	Failure to manage SME & Partners expectations	Medium	High	
ACTS OF GOD	Covid-19 restrictions	High	High	-Increased virtual interactions
ORGANIZATION(S)	“Red tape” and complex procedures causing delay getting approvals decisions	High	High	-Negotiated with relevant parties to prioritize approvals for this project -Delegation to the next relevant and available unit -Preparation of procurement checklist against timelines
	Functional units not available or overloaded	High	High	
	Changes on existing program/ New priority project inserted into program	Medium	High	
	Delayed signing of contracts and payments to project team and suppliers may affect timely delivery of services	High	High	



3. Feedback

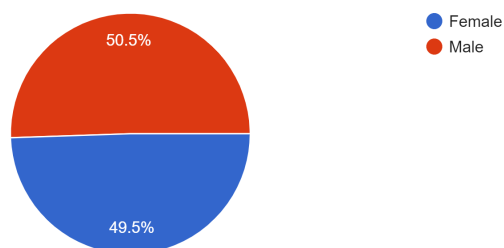
Feedback on the program was collected from a sample of 374 beneficiaries and is captured below:

Respondent profile

Gender

Gender balanced at 50.5% male and 49.5% female.

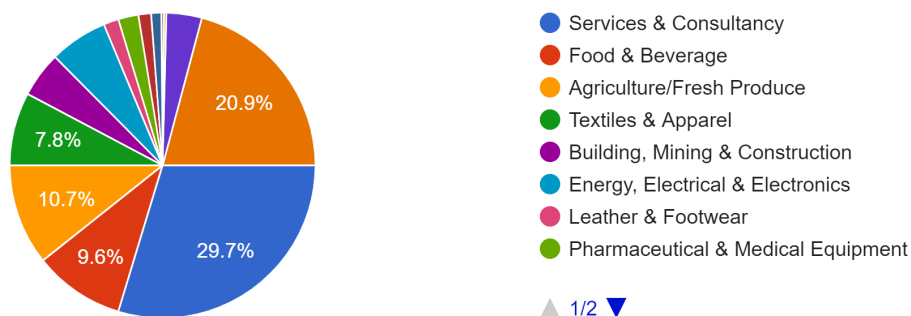
Gender
374 responses



Sectors

Over 50% of the respondents were from the services and consultancy and food and beverages sectors

Sector
374 responses

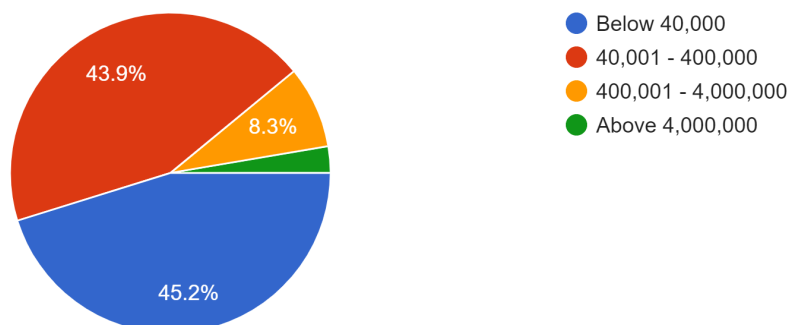


Monthly Turnover

Over 85% of the trainees reported a monthly turnover of below 400,000 Kenya Shillings.

Current Monthly Turnover in Kenya Shillings

374 responses



Covid-19 Impact

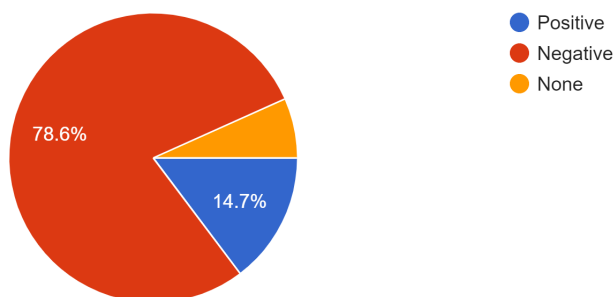
Most of the respondents (78.6%) stated that they were affected negatively by Covid-19 with a few (14%) reporting that they had experienced positive outcomes with the rest indicating that they were not affected at all.

Some of the negative effects of covid mentioned by the respondents included diminished sales, reduced cash flows, scaling down of operations in terms of cost and manpower with some even closing either temporarily or permanently. They also reported to have had challenges in relation to unavailability of raw materials and affordability due to the increased cost of importation. Customer preferences and purchasing power also lessened leading to cancellation of orders and loss of potential clients.

Most of the respondents that recorded a positive impact from the pandemic attributed it to them managing to see opportunities to pivot and either start new businesses or change their operation models hence reporting an increase in sales.

What Impact did Covid-19 have on your business?

374 responses

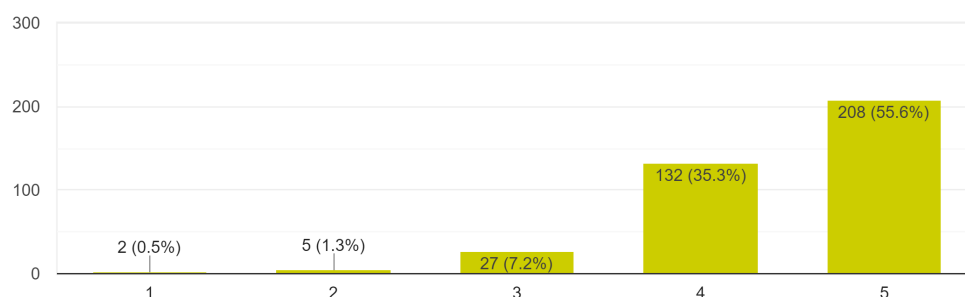


Feedback on the program

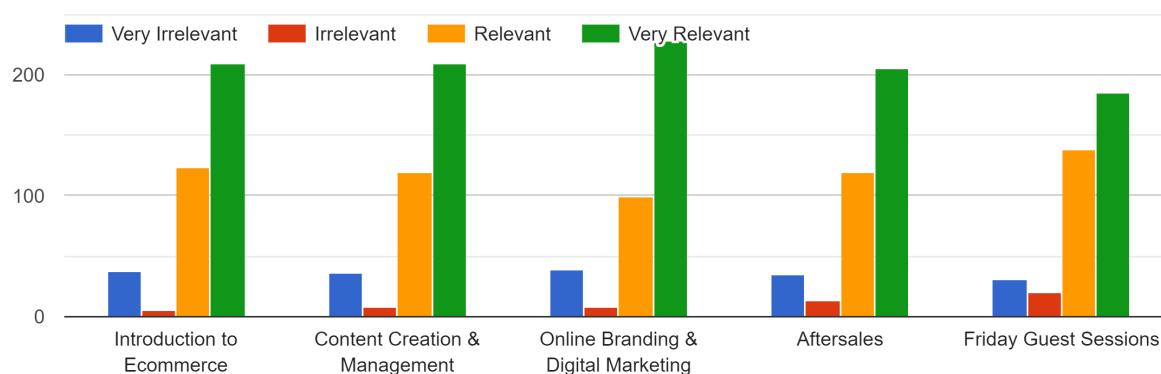
The program registered an impressive high satisfaction rate of over 90%. The respondents indicated that they were satisfied with the insightful training content, interactive sessions, and practical examples given during the lessons, as well as the knowledgeability, articulation, timeliness and commitment of the trainers and program associates. Asked how the class environment affected learning, most of the respondents stated that the activities and exercises given supported their learning and that they were given enough opportunity to practise what they learnt during training. The respondents further indicated that they felt confident enough to immediately apply what they learnt to their businesses and that the program material will contribute to the future success of their businesses with most indicating that they are likely to recommend this program to other SMEs and they would be keen to participate in similar future training.

What is your overall level of satisfaction with this program? (Where 1 is very dissatisfied and 5 is very satisfied)

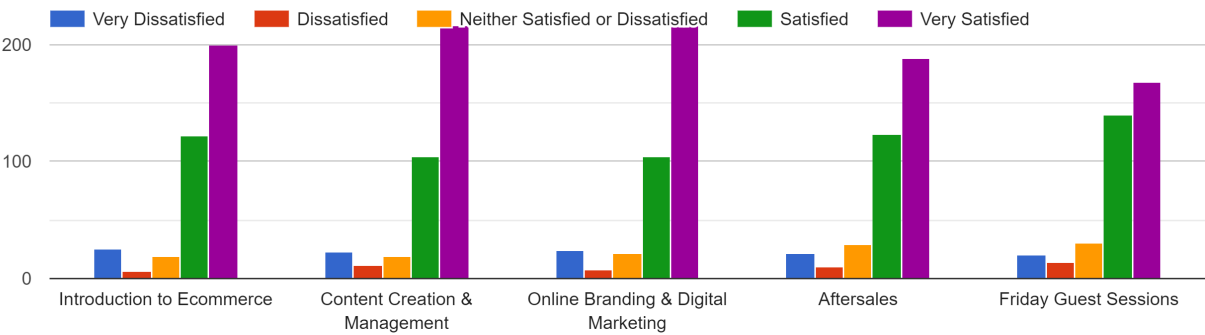
374 responses



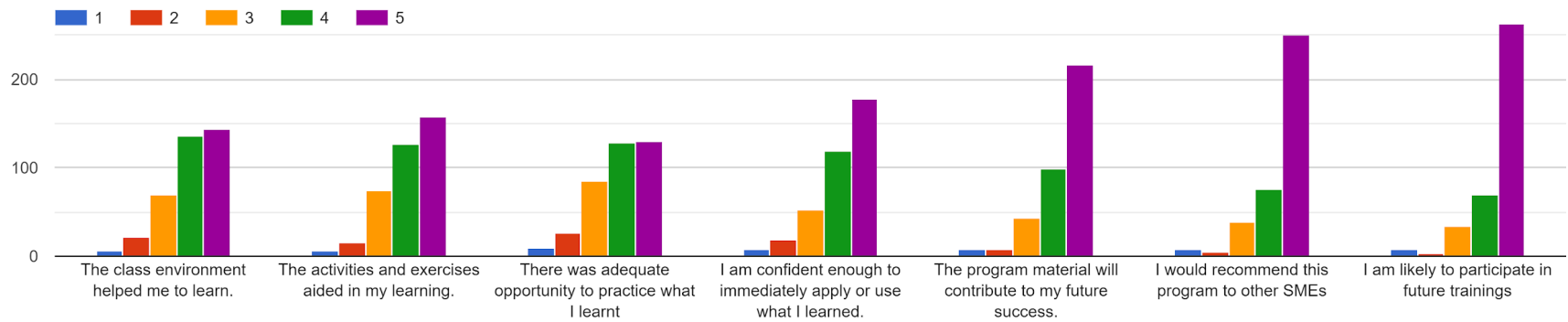
How relevant were the following topics covered in the training?



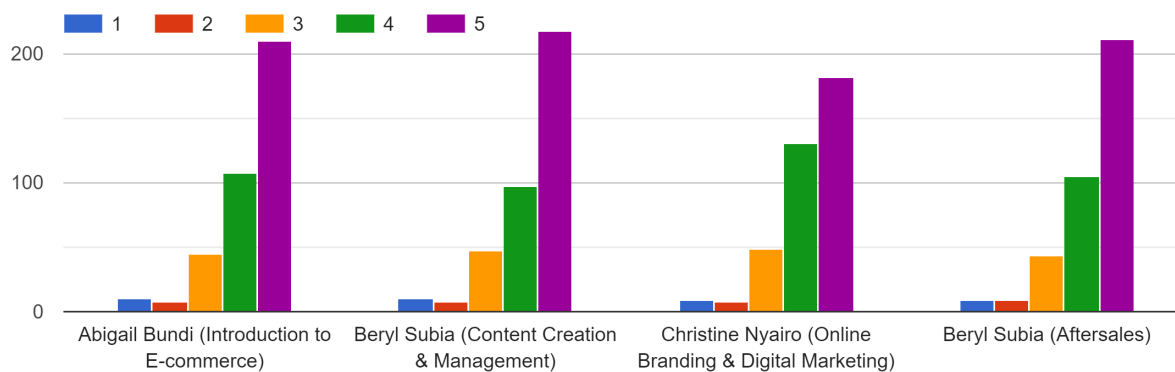
Please rate your satisfaction with the following topics covered in the training.



Thinking about the courses you completed, please indicate to what extent you agree or you disagree with each statement using this rating scale (Where 1 is Strongly Disagree and 5 is Strongly Agree)

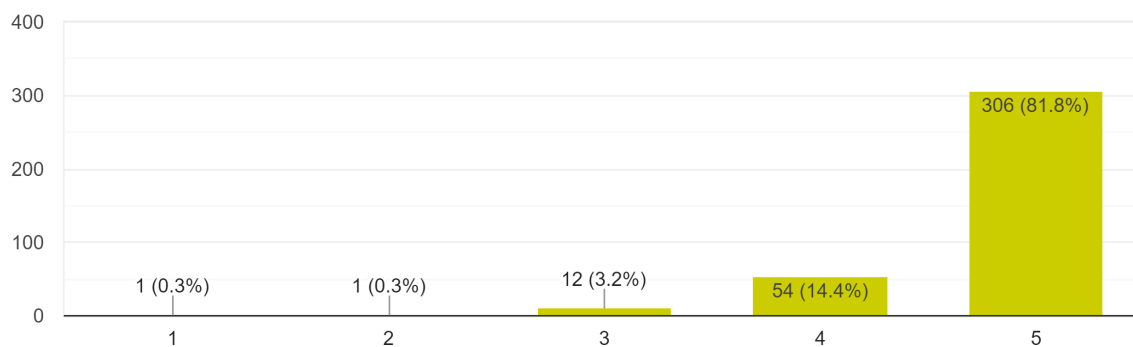


On a scale of 1 to 5, where 5 is Excellent, please rate the training facilitators

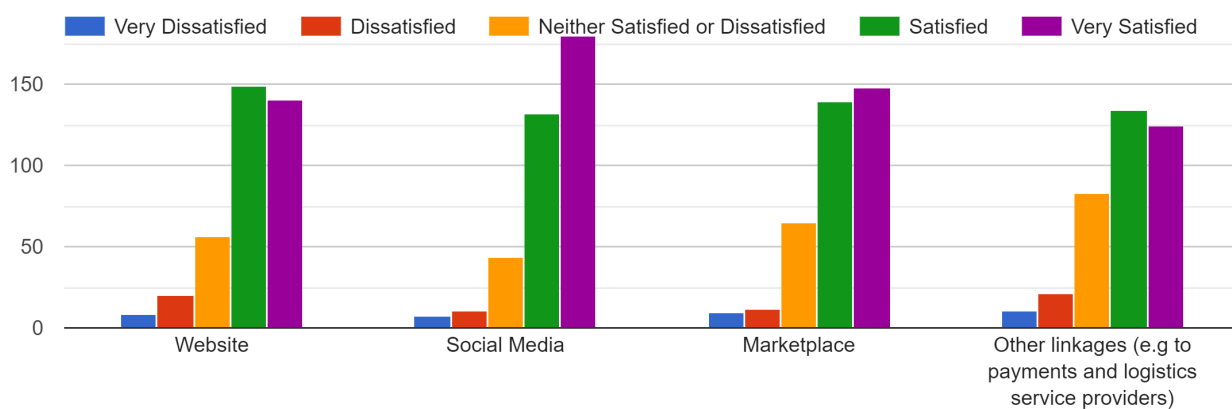


How committed are you to applying what you learned to your business?

374 responses

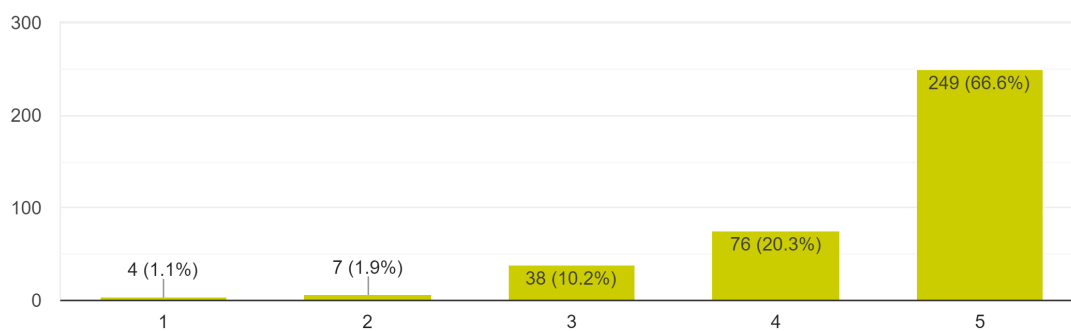


Please rate the on-boarding process



How satisfied were you with the support you received from the program associate assigned to you?

374 responses
















4. Challenges

1. **Oversubscription** of the program by over 500 beneficiaries meant that the project staff - mainly trainers and program associates were overstretched and had to put in extra hours to adequately cater to the needs of all beneficiaries. This also necessitated expansion of the onboarding period by an extra month.
2. **Timing** of the program was a challenge to some of the beneficiaries. Training time (10 am to 12 noon) coincided with when some of the participants had other engagements or were most busy with their businesses. The Friday Guest Sessions also collided with other planned KEPSA webinars creating a challenge for some of the beneficiaries. Some beneficiaries also felt that the time allocated for the program was not sufficient and that the program was rushed.
3. **Connectivity.** Poor internet connection for some of the beneficiaries caused interruptions during training.
4. **Large Class Size** of minimum 100 limited effective interaction especially during the Question and Answer sessions as it was impossible to cater to the needs of all the beneficiaries
5. **Mode of training** - Some beneficiaries indicated that they would have preferred to have physical training or a hybrid.
6. **Non-responsive SMEs:** A number of MSMEs were unresponsive, they could not be totally reached through either calls, SMS, or emails, thus were not trained and/or on boarded
7. **Diverse expectations:** Based on the fact that the different businesses were at different levels in their digital journey and have various needs, there were diverse expectations on the course content and program offering. E.g, some expected to be trained or linked to venture capitalists or financiers.
8. **Communication:** Lack of a Customer Relationship Management (CRM) system caused limitations in efficiency of communication
9. **Associate Staff turnover** – Some of the associate staff left midway and needed replacement

5. Recommendations

1. Additional training to further provide in depth coverage and support for the areas already trained on.
2. Include financial support as part of the program
3. Provide for mentorship and networking structures and opportunities for the trainees within the program
4. Incorporate measures that facilitate digital inclusion especially for participants from areas with little or no access to internet and other technologies needed for successful training and onboarding
5. Consider physical training-s that are covid-19 protocol compliant
6. Include other business related modules such as accounting as part of the training
7. Conduct periodic refresher courses
8. Consider implementing sector specific trainings
9. Create linkages to skilled digital talent such as content managers, social media managers

Annex

1. Training Curriculum:  EBP TRAINING CURRICULUM
2. Training Presentations
 - a.  MODULE 1 - INTRODUCTION TO E-COMMERCE.pptx
 - b.  MODULE 2 - CONTENT CREATION & MANAGEMENT.pptx
 - c.  MODULE 3- ONLINE BRANDING AND DIGITAL MARKETING.pptx
 - d.  MODULE 4 - AFTERSALES.pptx
3. List of Beneficiaries:  EBP COHORTS
4. Onboarding Report;  ONBOARDING REPORT
5. Feedback Form: [FEEDBACK FORM](#)
6. Sample Stories of Change
 -  My legal business got a total shift courtesy of the KEPSA E-commerce Booster Program.
 -  This is why my honey business is thriving: Lilian from Eldoret
 -  Mhogo Foods Limited shifts to E-commerce
7. Sample Media Coverage
 -  KEPSA e-commerce booster programme's success
 -  KEPSA's e-commerce boost on MSMEs
 -  Businesses to Invest in E-commerce || Joe Mucheru
 - <https://www.the-star.co.ke/news/2021-07-30-kenya-on-an-upward-trend-in-e-commercemucheru/>
 - <https://www.kenyanews.go.ke/kepsa-launches-e-commerce-booster-portal-to-boost-msmes/>
 - <https://www.kbc.co.ke/kepsa-ecommerce-portal/>
 - <https://theexchange.africa/business/thousands-of-msmes-trained-on-e-commerce-in-kenya/>
 - <https://www.mtkenyatimes.com/kepsa-e-commerce-booster-programme-making-strides/>