



## ZOONA

**Area of Focus:** Mobile payments

**How it works:** Zoono is a third party provider of mobile payments focused on building a reliable, cash-in/out network and facilitating [B2C](#) and [B2B](#) payments. They provide technical assistance to client businesses and design tailored end-to-end mobile payment solutions to meet specific needs. In agriculture, lead firms that contract with thousands of farmers are using Zoono to reduce individual payments. Instead, the firm makes one payment to Zoono, who then make e-voucher or mobile payments to each of the contracted farmers. E-voucher recipients can redeem the vouchers at input retailers or at cash-in/out agents.

**Technology used:** Mobile phones, unstructured supplementary service data (USSD) aggregation

**Implementer/funder:** After initial startup, the founders secured \$280,000 of assistance from USAID/PROFIT. In February 2012, Zoono received \$4 million of private investment, which it used to expand its team, improve the functionality of the platform, and expand operations to Zimbabwe, Mozambique, and shortly, Malawi.

**Fees:** The ongoing fees for institutional clients vary, depending on the amount of technical assistance given in project set up phase. Person-to-person transfers are charged an 8 percent fee, which is 25-40 percent cheaper than their formal competitors (i.e. Western Union or the post office).

**Primary markets:** Zoono began in Zambia and has expanded into Zimbabwe and Mozambique. In 2013, Zoono plans to expand into Malawi.

**Users:** On a monthly basis, the Zoono platform currently supports 50,000 transactions valued at \$3.5million and reaches over 60,000 people.

**Business model:** Zoono's B2C/B2B business model has achieved success by focusing on meeting the needs of the client with proprietary software. Zoono is also a Kiva non-MFI mobile payments partner. Zoono agents now have access to Kiva loans to start their operations and provide their initial liquidity, thereby expanding the mobile payments infrastructure.

**Impact:** In Zambia, by using Zoono, Dunavant (the leading cotton producer in country) was able to lower its costs, provide discounts to farmers while increasing their access to inputs, reduce side-selling and improve the recordkeeping and sales of input suppliers. The e-voucher and mobile payment transaction histories through Zoono can also be used to build a financial identity for the farmer that will help with future access to credit.

**For more information visit:** <http://www.zoono.co.za>

**Sources:** Company website; and interviews with Hans Hesse, e-voucher Manager; Graham Lettner, Agent Manager; Brad McGrath, COO and co-founder; and Mike Quinn, CEO, in July/August 2012.

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