

Suzana Moreira

I: Well, I've got with me today Suzana Moreira, who is the founder of MoWoza, which is a social enterprise working in southern Africa. Suzana, perhaps you could, first of all, explain a little bit about what the organisation is and how it started?

SM: Yes. MoWoza is a social enterprise and what we are doing is working with low income community migrant workers that come from Mozambique to South Africa and they need to send products back home. We've devised a mobile phone application that allows these low income workers to download onto their phone. Then, through this mobile phone application, they can send text messages to our business, to our services. Then we get agents on the ground to go out to them and to take the orders. Then the system has been designed so that we get a prompt in Mozambique to let the family member know that they've got an order that they can come and pick up. So, we cross border, we're working between South Africa and Mozambique. We've got several distribution centres in Maputo, which is the capital of Mozambique, and then in South Africa we have a group of agents that are running around in these communities, trying to get sales, really, for us.

I: And what gave you the idea to set this up?

SM: This is the interesting bit: when I was doing my MBA we studied social entrepreneurship and that was the first, I guess you could say, lead towards the business. And a very interesting case and that is Construmix, which is a Latin American, I don't know if I would call it a social venture, that was formed by Cemex.

I: The Mexican company.

SM: Exactly, where they allow their workers to remit cement back to Mexico. So, instead of sending funds, savings across the border to Mexico, they're exchanging money for cement.

I: I see, which can then be used for construction projects.

SM: For construction, exactly, because most Mexicans in America want to build homes in Mexico for when they return back home. It just made sense to me, reading this. I thought a lot of migrant Mozambiquans, when they come across to South Africa, their motive for being in South Africa is to feed or support the family in Mozambique. So I thought, 'we can do this, but we can do it one step better,' and that is utilise mobile phone technology so that these migrant workers can place the orders with us.

I: And it's grown, obviously, and it now has a number of distribution centres and agents.

SM: It has, it's grown from one little outlet in Maputo, they've got four on the outskirts of Maputo city centre. We use shipping containers as our store fronts or

pick up outlets, because it is low cost and the whole business is based or has been designed to be low cost. Our migrant workers are breadline earners, I guess, so it's really low cost.

I: And, presumably, that's a model, just like you took the Cemex model, it's a model which others could adapt and adopt and spread elsewhere.

SM: Yes. I was really worried at one stage – I couldn't pay my rental fees for commercial property and, with my business partner, we decided how can we get around this. We just thought shipping containers.

I: Excellent.

SM: And they are used with a lot of new businesses or low income entrepreneurs in Southern Africa are using shipping containers as their shop fronts like this. We only need it for distribution, really, collection.

I: What next for MoWoza or what next for your social enterprise ideas?

SM: Well, there are several ideas. One, we're looking at bringing other products, because at the moment we're only focusing on food and staples. So we will probably expand into beauty products. It doesn't make sense, but it's quite profitable. So beauty products will subsidise other areas. We would like to roll out some sort of education programme whereby our users can learn how to use mobile internet, because we really do want to start basing our application on 3G applications. So that is really important; we do need to teach our consumer base how to use the World Wide Web, mobile internet. And we are also looking at mobile banking, but that is a different business altogether, but the contacts or the leads have come from our primary business – MoWoza.

I: And this is taking advantage of the fact that really Africa has not had much in the way of fixed line phones.

SM: Yes, that's right.

I: It's gone straight to the mobile and it's widely available.

SM: Yes. It's that frog leaping that we're talking about, where, for some reason, with mobile phones everyone has got one in their pocket and they do know how to use a mobile phone, whether they are literate or illiterate, they use mobile phones.

I: That's interesting.

SM: That's quite interesting because a lot of our consumers are illiterate; they don't even know how to sign their name, but, for some reason, they know how to send a message. You just learn – you do 1, 2, 3, 4, 5, 6, that's the way you press the sequence and you can send a message, which is really helpful. You don't need to identify a character or a digit, you just need to know how to do it.

I: This, obviously, didn't happen overnight and it must have been quite an uphill struggle at times. Could you talk a little bit about some of the lessons you've learnt as a social entrepreneur?

SM: Yes, I think the most important one is choose a community that you can work with. Go out into the field, choose an area, get to know the people that live in that community, get the support from local authorities that they work with you, they can provide you with extra information. That's really important. Know the local community, get their trust, identify key figures within that community. Also, we did a lot of groundwork where I started off, I met a Mozambican gardener – I was doing some voluntary work in South Africa – and the gardener was from Mozambique, we started speaking and he said he knows a lot of people that would be interested in what we were trying to roll out at the time. So, he introduced me to his family and it was really grassroots, getting to know the community. I spent lots of hours with him, doing research, showing them the applications, so they felt as though they were part of this thing that we were rolling out.

David, this chap, is now working for us. He actually goes out and recruits customers for us, which is really good. We also got to know his family across the border, so we got buy in from both sides.

So that is one key lesson. We couldn't get any data; there was no data on the amount of Mozambican migrant workers in South Africa, so we approached the local police station and we got them to help us.

I: That's an innovative use of the police.

SM: Yes. So they worked with us and were very helpful. So we got them to help us with how many Mozambicans are in that area, where they're living. Then we also asked them to identify secure little shops where we could, instead of the agents having to go and collect the money from the customer, the customer could go to these little shops and pay the money. Then the shop owner would deposit the money at our bank account. So we got them to give us a list of secure, safe shop owners we could work with. Again, it's always engaging the local community.

What else? It's definitely building trust, because no one knows who you are. We did approach a lot of churches and they said, 'Well, we want you to show us that you've got buy in from the local community.' So, again, it was going back to the police station, because we had developed a good rapport with them.

Across the border in Mozambique, I must admit we did work with government officials to make sure the entire operation was legitimate. There is a lot of cross-border, where you get migrant workers, all they do is run across the border, pick up goods, take them back and they don't pay the taxes on them. So we wanted to engage them in our model, so this is when we approached the Mozambican government and we said, 'How can we incorporate these migrant workers,' they're

not workers, they're cross-border traders, 'in our business model and get them to start paying taxes on the goods that they buy?' So one of the ways around this is use our product, buy directly from us. We can supply you the goods cheaper and we'll take care of all the taxes that need to be paid.

So it has been quite smart. The other thing is, trying to keep costs as low as possible and thinking completely out of the box how to do it. Is it necessary to have extra staff? How can you use the workers that you have to do a lot more?

I: It sounds fascinating. Of course, a big thing that we know about entrepreneurs is they're very good at networking and mobilising all sorts of different connections. One obvious question is how do you fund this? Can you talk a little bit about how you managed to get it going? I'm sure that was difficult.

SM: Yes. This is personal savings. I did put a lot of my own money into it. Secondly, finding business partners that are prepared to be sweat equity partners, where they have got the right or correct skill set. Obviously, they've contributed towards the business this way. Let's say the mobile phone application: Patrick, who is now my business partner, his expertise is designing and developing all the architecture around systems that support mobile phone applications.

So it was being smart about everything: looking at the infrastructure – how can we cut costs around rents; utilising commercial freight containers, buying those and looking for land where we could leave them close to the local communities, so that they can still come and pick up their goods. But it helped incredibly. Had we not come up with that idea, I don't think the business would have gone ahead. We were looking at, in Mozambique, US dollars. That is incredible for property. We're looking at \$7,000 a month. The business wouldn't have survived.

I: I shall never look at a container in quite the same way again. It's a great idea.

SM: Yes, so low cost, being smart about keeping costs as low as possible and being prepared to go without a salary for a while. It's cutting costs at all angles.

I: What was the hardest thing, looking back? It must have been difficult at times. What was the biggest obstacle?

SM: The biggest obstacle for me personally was going into areas that I didn't really feel comfortable in, especially in South Africa where you've got a lot of crime, and just being female and deciding this is what I want to do and I'm definitely going to go into these areas on my own and try to talk to local people. That was a big challenge. There were times when I didn't feel comfortable.

Secondly is the funding issue – the amount of money you have, how long can you stretch that out. It's that game. This is my budget and how can I really get this budget to last me a year? What do I need to cut out on? Another good example is trying to get the website designed by students. It's not perfect, yet my customers

don't utilise a website; we just put a website in case somebody is interested, they can come and have a look at that. But, really, the highest cost for us was developing the application and getting pamphlets printed, a lot of marketing. Then, obviously, the container sites – we need to pay for that. That is the difficult bit.

The second was is finding partners you can trust. Very difficult. I must admit, I did go through a number of partners before I settled with these partners. So, constantly changing, having to explain things, discussing whether they wanted their share back or not. Luckily, I didn't have to pay anybody back for their expenses. They believed in the project, they just weren't prepared to go without a salary for a considerable amount of time. Having faith.

I: Absolutely, which comes through very strongly. I think it's a wonderful thing that you're doing and I certainly wish you very well with it.

SM: Thank you.

I: Perhaps one last question, a difficult one, but if I was to ask you to think of three key messages for aspiring social entrepreneurs, out of the experience you've gained the hard way, what would your three messages be?

SM: Really engage with the local community. They will support you. If they believe in you, they believe that the product you're offering is a good one, they will definitely support you. I must admit, in many instances I was prepared to give up and they kept saying to me, 'Don't give up. There is so much you can do with this.' So that is one.

Secondly, for aspiring social entrepreneurs, belief in yourself, because that is really important. There are going to be a lot of hardships as you go along. You've got to see the long-term picture. If you know where you're going and how you can grow your business, it's worth the challenges, definitely.

Thirdly, knowing where your next round of funding is going to come from.

I: That seems like a very sensible one.

SM: Yes.

I: That's wonderful. Thank you very much, Suzana. We wish you well with the venture. If people want to know more about it they could visit your website?

SM: Yes, they can – www.mowoza.com.

I: I have one last question: what does MoWoza mean?

SM: It means the mobile's running – 'Woza' is a Zulu word for running or coming and the 'Mo' is mobile. So the mobile is running or coming; it's really working for the individual.

I: Well we hope it keeps running for a long time.

SM: Thank you.

I: Thank you very much indeed.