

Sauder Social Entrepreneurship

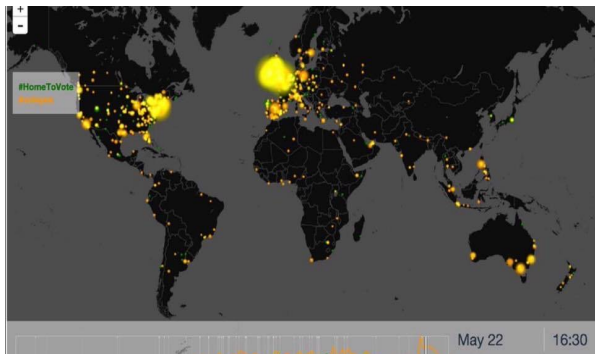
Lorcan O Cathain, November 2022

I've been extremely luckily over my short career to-date to have had a number of very formative roles, across diverse geographies and areas

- Former International Athlete
- Global Venture Development Manager, Kaymu (Philippines)
- Former economic advisor to Rwandan Ministry of Trade (Rwanda)
- CEO & Founder, RONKOS
- COO 4G Capital
- Forbes 30 under 30, Social Entrepreneurship (2020)
- CEO & Co-founder of Money254 (launched April 2021)



While very distinct, I think about these roles in terms of phases which have informed my current philosophy towards social entrepreneurship



The power of technology to influence change



The difficulty of translating the energy of a cause into a sustainable business



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The weight of responsibility associated with being an entrepreneur

During my time as an economist, access to finance consistently arose as a primary inhibitor of business survival, leading me to 4G Capital

The Problem

- Micro traders ran good businesses with strong margins (30-100%) but financing inventory was a challenge
- The majority still operated off feature phones and transacted in cash
- Market struggled to serve this segment:
 - Majority of solutions focused on consumers and often smart phone users
 - MSME finance gap \$330bn across the continent
 - Nearly half of all businesses failed within 12 months in Kenya
 - Digital/ remote onboarding difficult
 - Missing out on the increasing digital opportunity

The Solution:

- 4G Capital combined the speed of digital with the benefits of traditional customer service
 - New wave of Hybrid lenders







Kenya's FS market is vibrant but fragmented and confusing with big spreads on terms.



Why Now

Consumers

100%

growth in financial
involvement over the
past decade

80%

Don't have
comprehensive CRB
Profiles

41%

Report unexpected
charges with their
bank account

Institutions

300+

new financial
institutions in the
past 5 years

11M

Formal Non-
Performing Loans
Q1 2020

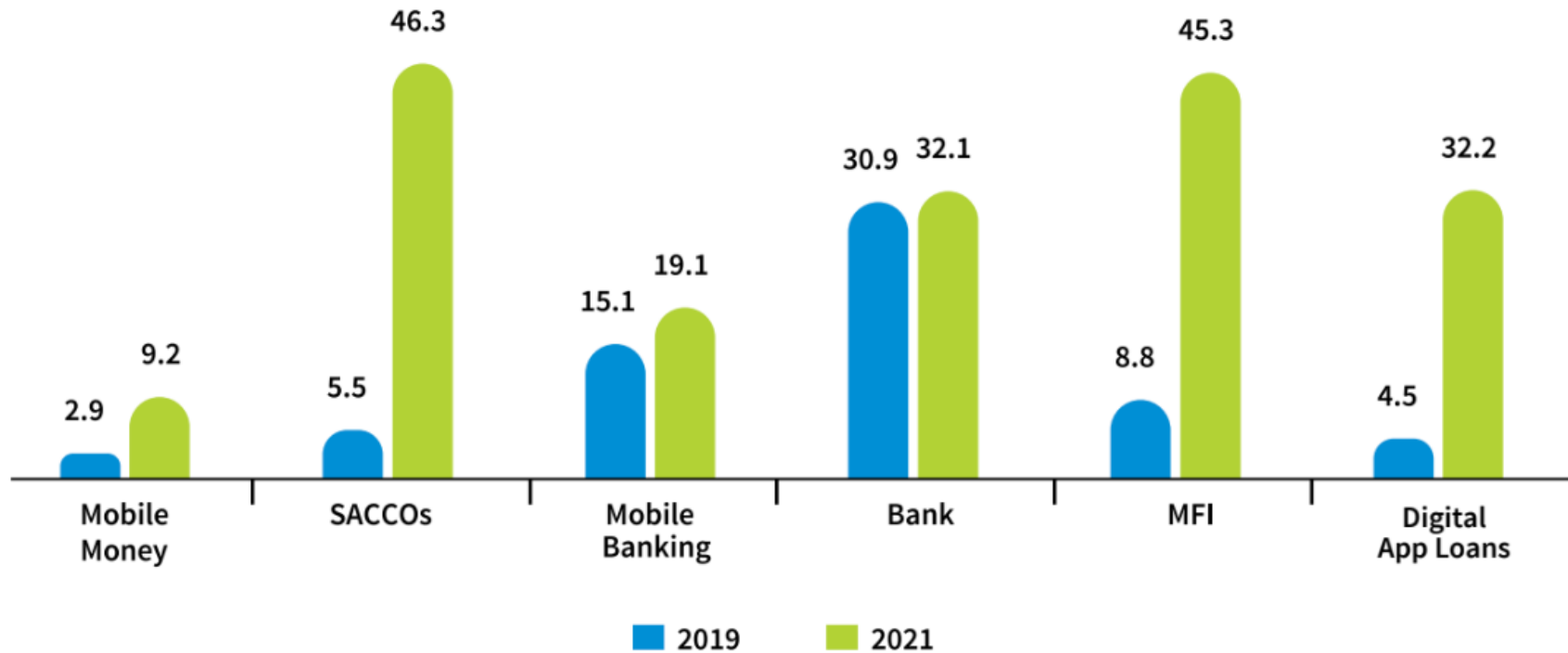
18

Highest NPS Score
across Kenyan
Banking Sector

**Navigating this
landscape effectively is
nearly impossible,
creating challenges for
both consumers and
institutions.**

And the problem has only been growing.

Figure 4.7: Unexpected or unclear charges faced by consumers (%)



With very real human implications

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Man Commits Suicide in Kakamega After Frequent Calls From Loan App

By [IMRAN OTIENO](#) on 18 October 2020 - 12:01 pm

NEW SOCIAL MENACE

MP blames increased suicides on unregulated mobile money lenders

Apps also blamed for divorces, family break-ups and listing of defaulters by CRB

[In Summary](#)

MOST POPULAR

Kenyan borrowers shamed by debt collectors chasing Silicon Valley loans

Customers say friends and family were harassed after they were late repaying US start-up Branch

Money254 is Kenya's premier financial services marketplace.

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OVERVIEW

1.9M

Unique Users

7.5M

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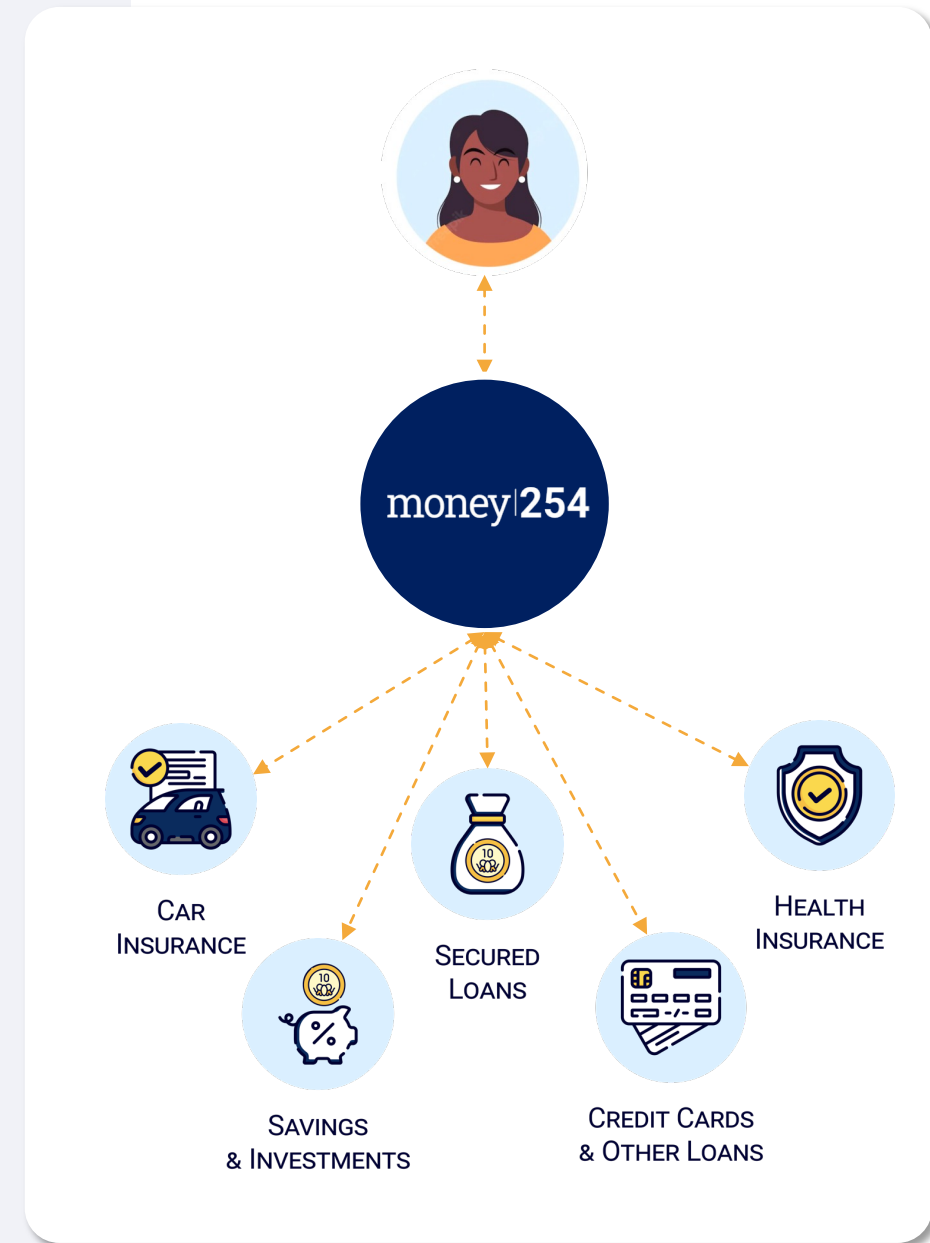
270K

*Financial Users Connected to
Products*

Since April 2021

Millions of Kenyans trust Money254 to help them make confident financial decisions.

We enable anyone with a smartphone across Sub-Saharan Africa to instantly and intuitively connect to the best financial products available to them.



We use content to build literacy & Trust in a tense environment

800

total articles
published since our
inception in April
2021

16

new articles
published per week
(64 per month)

3'45"

average time spent
on each 800 word
article



Money254

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To become financially savvy, you'll need time and effort. It isn't something that happens overnight!... See more



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Money & Me: The Seven Financial Lessons to Master by Age 30



and 673 others

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Online #entrepreneurship has taken off in Kenya. However, many aspiring entrepreneurs face serious challenges when raising startup capital... See more



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Top 5 Profitable Online Businesses to Start With 20K in Kenya



and 1.5K others

1 comment · 24 shares



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Oct 10 · 🌐

Owning a #business is a dream to many, but it's not easy.... See more



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5 Things the Bank Will Ask When You Need a Business Loan



and 1.7K others

20 comments · 36 shares

And it's beginning to pay dividends- We reach 3.4M Kenyans every month across our various channels

3.4M

total
monthly reach

500k

total
monthly engaged

250k

total
monthly landed

Channel Reach



34K Followers, 1m total monthly reach



40K newsletter sign-ups, average 20% open rate



17K keyword rankings, including 4000k high intent #1 rankings

Our customers love using Money254

81
Current NPS

[Money254 Relationship Manager] Madam Wangui was so wonderful from the time I inquired about loans. She did follow up and ensured I received the loan. Above all, she gave me the assurance and confidence that Mogo was a genuine loan agency cause at first I was in doubts. I can't ask for more than what she did.

David, \$3,500 loan to pay school fees in Nairobi



It was excellent. I am delighted that you are true partners.

Michael, \$1,750 loan to stock up lighting business in Naivasha



Thank you. It was EXTREMELY helpful.

Laura, \$2,500 loan to fulfill client hardware order in Nairobi

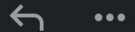


money news Inbox



zippy kahenza 21:24

to info ▾



Hello, I am Zipporah, a huge fan of your weekly money news.

I don't know who to address, but whoever you are, thanks so much for the knowledge that you give me and many other Kenyans concerning money matters.

I have learnt a lot from you, I have started making small steps towards a saving culture, through Saccos, Money market fund and Pension plan.

I wish I could have started earlier in my twenties but I believe even in my thirties I can attain financial freedom.

Looking forward to learning more from you.

Thanks.,

Zippy

TEAM

We have the team to make it happen.



Lorcan O Cathain
CEO & Co-Founder
COO, 4G Capital (Kenya)
Launch Manager, Jumia (Ph)



Dirk Badenhorst
Head of Data &
Architecture
CDSO, 4G Capital



Jonathan Lawoyin
Growth Marketing
Head of Dig Strategy, ROAM



Hilda Ng'ang'a
Commercial Analyst
Sales Executive, Coop Bank



Adam Versprille
CPO & Co-Founder
CPO, 4G Capital (Kenya)
Sr Product Consultant, IBM (US)



Eric Ndubi
Managing Editor
Editor, Kenyans.co.ke



Sheila Andoi
Assistant Editor
The Technical University
of Kenya



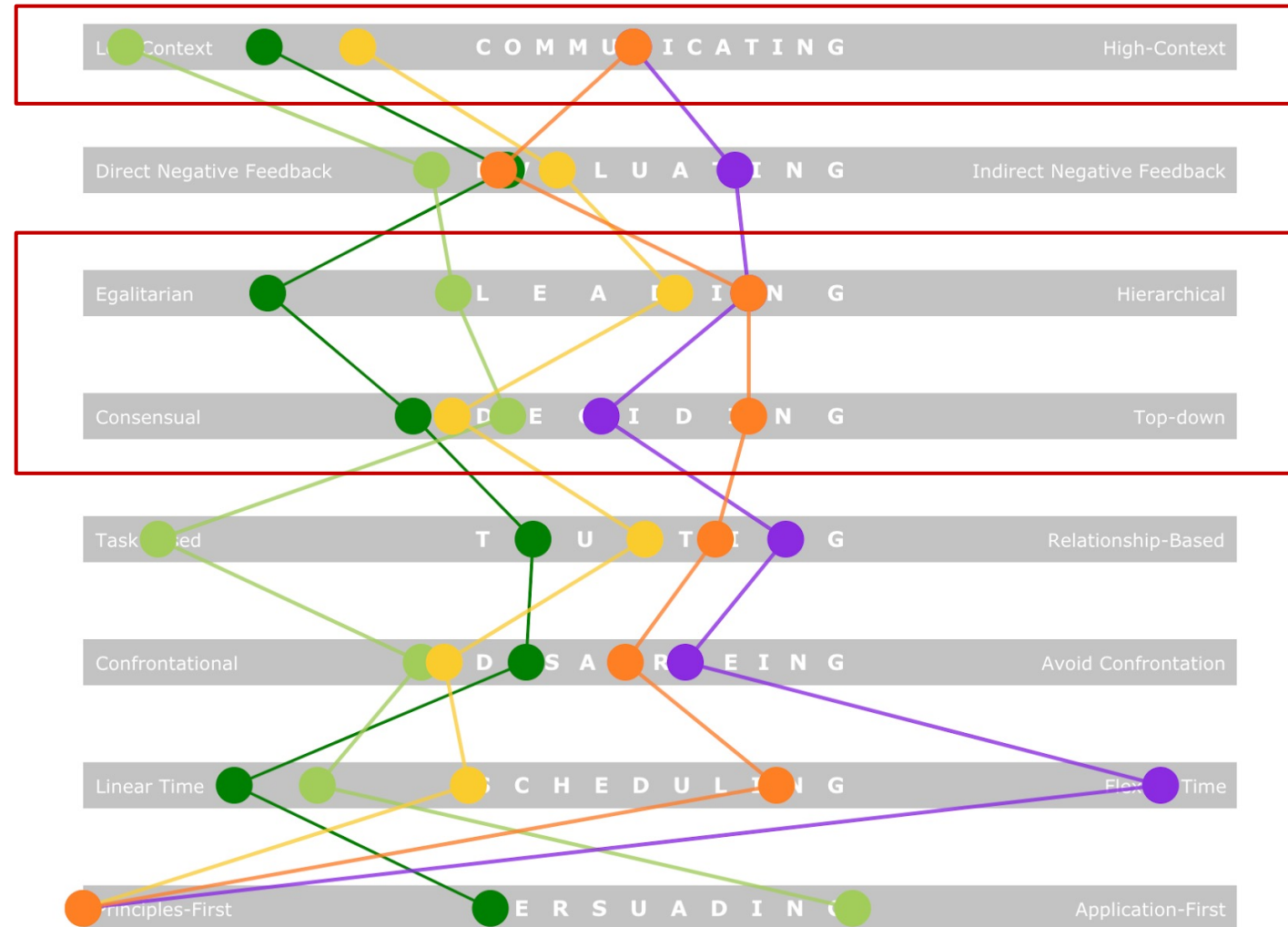
Julita Bhagat
UX Designer
Sr UX Researcher, ARK Africa



Sam Achola
Head of Engineering
Sr. Engineer, Welio (US, Acquired)
Software Engineer, Andela (Kenya)

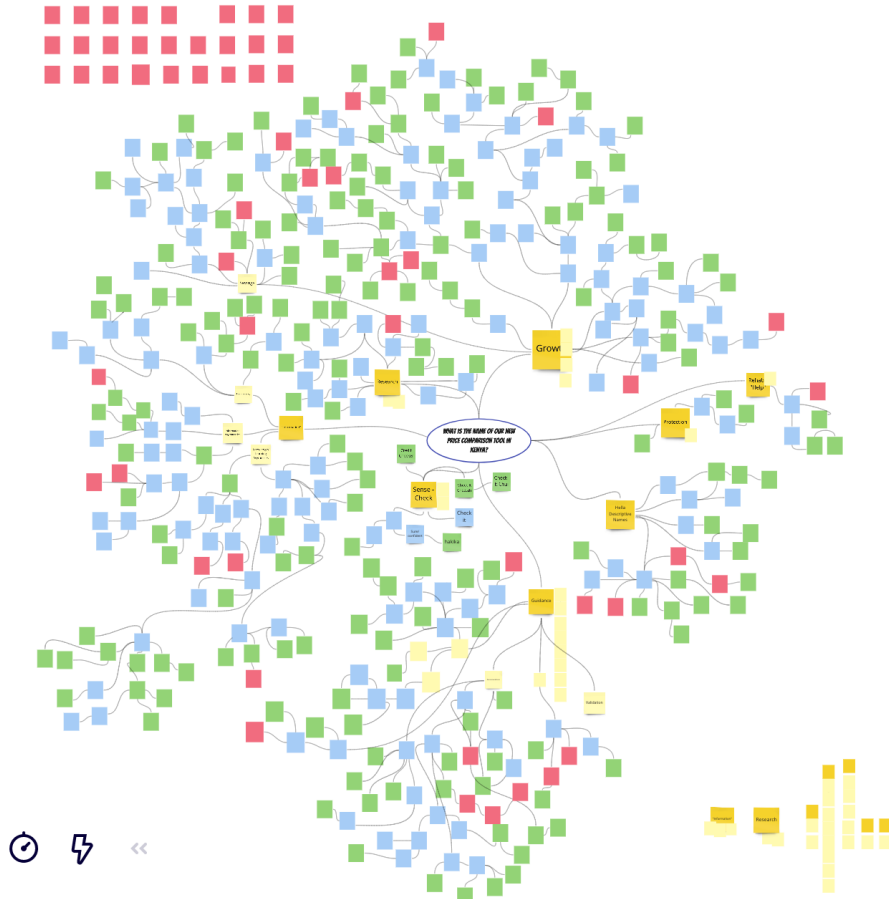


Understanding cultural nuances is important in running your team effectively



**The Culture Map:
Money254 Team**

In any context, especially outside your own market, users will always know best (potentially even when it comes to naming your company!)



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Summary

1. Entrepreneurs are everywhere, in every field.
2. Technology is an enabler but isn't in itself the focus. Don't get lost in your own product.
3. Being an entrepreneur is a privilege. While technology is an equaliser, privilege still matters. Recognise this and work to correct it.
4. Good intentions are not a substitute for competency.
Unintended consequences are real
5. Being a founder can be lonely, ask for help and celebrate the small wins.
6. Build with humility and curiosity.
7. Building a business isn't a zero sum game. Competition is good for the consumer and for you.





Lorcan O Cathain, CEO
lorcan@money254.com