

Egypt's ON Market E-Grocery marketplace raises \$215K in pre-seed funding to empower grocery retailers

The E-Grocery startup announced that they've successfully raised a pre-seed round to further expand their operations in Cairo, Alexandria, Tanta, Mansoura, and multiple other cities in Egypt.

(Cairo, 20 Mar 2022) – ON Market, an e-grocery marketplace has successfully raised USD215k from regional angel investors led by Yasser AlGhamdi. The funding will support the startup in expansion across major cities, Cairo, Alexandria, Tanta, Mansoura, among others, in addition to scaling their tech solutions.

Founded in June 2020 in Tanta, by Moatasem Marzouk, Seif Yasser, Ahmed Najjar, and Moataz Marzouk, and graduated from the AUC Venture Lab's acceleration program in 2021, ON Market empowers grocery retailers with tech solutions to build and sustain online commerce. Simultaneously, they connect customers through their app with grocery retailers surrounding them enabling them for the first time in the market to order from multiple retailers in a single order.

Moatasem Marzouk, the co-founder and CEO, explains the unique value they provide to their customers, “Our customers have trust and loyalty to brands and retailers that cannot be easily replaceable. We develop our products in-house to connect them with the retailers they trust and love, where they can follow their latest offers, pricing updates, and product availability. For the first time in the market, we allow them to order from multiple stores by placing only one order and getting it delivered all at once. We've surveyed a sample of 200+ customers, and we found that 90% of them prefer to get all their orders at once, even if it'll take more delivery time, even up to an hour”.

Seif Yasser, the co-founder, and Head of Sales speaks about their competitive edge for the retailers' side saying: “Are we another grocery app? Absolutely not! Unlike most players in the market, we are empowering retailers with tech and business solutions to have online commerce and scale their businesses. As a marketplace, we don't have warehouses or stock making us more flexible and agile than others to expand and scale. Moreover, our model allows us to have a retailer as a partner in every residential block and neighborhood, which allows us to deliver a big basket size of up to EGP 1,500 in under 60 minutes only.”

ON Market's co-founders come from different expertise in e-commerce that dovetail together; software engineering, software product management, business, and sales, at corporates like Google, Volkswagen, and Delivery Hero, as well as, startups and scaleups; like Marsool, WUZZUF, and JustClean.

Moatasem Marzouk also added “by end of 2021, and in only one city, we achieved 10x growth since we started, delivered 20,000 orders with a GMV of EGP 4 million, onboarded 70 retailers, and reached 65% retention rate. We expanded our operations to Nasr City and Masr El Gedida in Feb 2022 and our plan is to expand to Mansoura Q3 2022, and to Alexandria by Q2 2023, generating USD 6 million in GMV.”

About how they see their future opportunities in the market, Moatasem says, “the grocery market in Egypt is valued at around USD 35 Billion and expected to grow from 15% to 20% over the next three years. That market isn't yet fully disrupted, and it's our chance with our

team, retailing partners, and investors to change that, before expanding to MENA's USD 200 billion market".

Yasser Alghamdi, the lead investor, says about the company and the team "The grocery market in MENA, including Egypt, is promising. We believe the team behind ON Market has the necessary experience and mindset to build a remarkable success story, and we'll support them to achieve that all of us together"

Influenced by the global market boom in online groceries, the market in Egypt is growing drastically, and has attracted more than USD150 million in investments for the year 2021, and is expected to attract more investments in the next coming years.