

# Yebo Fresh secures series A funding for further expansion

Yebo Fresh, a Cape Town-based online retailer that delivers food and household goods to communities and organisations in the area, is gearing up for further expansion with series A funding. E4E, Mark Forrester, Dale Williams, and the founders of cars.co.za Alastair MacMurray and Ross McIlroy, are the funders for this round.



This follows initial investments in the first seed by Professor Stefan Allesch Taylor, and the second seed in September 2019 by players like Bas Hochstenbach, Mark Forrester, Neil Watson and SweepSouth founders Aisha Pandor and Alen Ribic.

## Growth journey

Yebo Fresh has shown exceptional growth during the last few months, rising to the occasion of increased demand from private households, businesses and charitable organisations for the delivery of food and groceries. Since the beginning of March, the company has moved to a bigger warehouse and expanded its team.

The retailer originated in 2018, and was inspired by the need for transformation in the world of online shopping, as well as making quality, fresh food and household goods accessible to all. Since its humble beginnings in the garage of founder Jessica Boonstra's home, the company now occupies a 1,200sqm warehouse where over 35 full-time employees work to produce food and grocery orders for residents all over Cape Town.

Along with the recent investments into the business, Yebo Fresh has undergone a company-wide branding refresh with an extended offering and an updated website, digital assets and logo.

“We are very excited about the growth and the many learnings we have experienced as a company, especially in a year where there was such little hope due to the pandemic. Through the amazing partnerships we have formed this year, we are now able to implement further technology to serve our communities even better,” says Jessica Boonstra, founder and CEO of Yebo Fresh.

According to Boonstra, the funding will be used to further build the brand; hire several ‘superstars’ – like recently appointed commercial director Pamela Solomon, CFO Dean Taylor and COO Mike Jones – to optimise its systems and processes, and to prepare for national expansion.



Jessica Boonstra

## Transformative business

E4E managing partner Philani Sangweni says: “Yebo Fresh aligns perfectly with our stated mission of growing startups that aren’t just good businesses but are also transformative and create jobs. We’re extremely proud to be playing a leading part in their growth journey.”

As one of the first investors to back Yebo Fresh, entrepreneur Mark Forrester was inspired by the determination shown by the team when faced with the pandemic.

“I backed Yebo Fresh in their first round of investment, before the pandemic hit. To see the team mobilise during lockdown to help feed vulnerable families – levelling up their systems and logistical infrastructure and showcasing an anti-fragile determination – was truly inspiring.

“I believe now more than ever that Yebo Fresh can find commercial success, whilst having a meaningful social impact. For that reason, I’ve joined the second round and I am committed to help support them in their quest,” he says.



E-commerce startup Yebo Fresh easing access to food supplies in townships

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## Township success

It is not only Yebo Fresh's success during the initial lockdown period that grabbed the attention of investors, but the role the business plays within the township economy too.

"I realised a few years ago that the townships are the heartbeat of South Africa. The *ikasi* economy offers a big opportunity for growth in human potential and capital," comments new investor Dale Williams, who specialises as a business coach.

He adds, "Having been introduced to Yebo Fresh through Mark Forrester, I was immediately intrigued by what is possible through providing quality, fresh food and household goods to people who are not normally well served by traditional retailers."

Yebo Fresh's success in townships is driven by its hyper-local approach and offers, great partnerships and the combination of smart tech and processes in the background with a simple low-data customer interface.

As an expert in township culture, GG Alcock, entrepreneur and author of *KasiNomics*, *Third World Child* and *KasiNomic Revolution* will soon be joining the Yebo Fresh team as a board member, bringing along his vision for the future of the brand. Alcock believes that Yebo Fresh's business model is "perfectly timed" to capitalise on large-scale changes in shopper and trader behaviour in an underserved economic sector.

"Yebo Fresh's model also utilises local 'bakkie brigade' delivery, further enabling it to build locally empowering networks," explains Alcock. "And let's not forget the local spaza, food outlets and local caterers whom Yebo Fresh offers a big opportunity to service, enabling the trader to continue trading instead of leaving their outlet to go and stock up themselves."

Co-Founders of cars.co.za, Alastair MacMurray and Ross McIlroy, say Yebo Fresh's passion for improving people's lives is what excited them: "Yebo Fresh excited us as an investment opportunity because of its potential, through the use of good tech and service, to solve quality food accessibility and safety issues in South Africa's townships. We have really been encouraged by the team's passion for making people's lives better while creating a solid, sustainable business."

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