

RCS Group acquires online credit provider Mobicred

South African youth are the fastest-growing group of online shoppers in the country and providing this group of digital natives with access to credit is imperative.



Source: Supplied. RCS chief executive officer, Regan Adams.

In alignment with its drive towards financial inclusion in Southern Africa, RCS, the consumer finance arm of global bank, BNP Paribas, has announced its acquisition of SA's leading online credit provider, Mobicred.

On its most recent acquisition, RCS chief executive officer, Regan Adams, states that there has never been a better opportunity to tap into the accessibility and convenience that the South African e-commerce environment has to offer.

"Our acquisition of Mobicred enables us to better serve the needs of South African consumers who require a more diverse suite of credit solutions to help them access and manage their purchases. The acquisition of Mobicred was the natural next step in RCS's digital-transformation strategy and complements our existing offering perfectly as we enable our customers to shift towards shopping across their chosen channels – be it in-store or online."

Linked to a network of 4,000 online stores

Mobicred provides retailers with a seamless credit facility for their customers. The Mobicred platform is currently integrated into more than 4,000 online stores throughout South Africa, providing a secure payment option in real-time. Mobicred account holders gain access to exclusive promotions across a range of online stores and enjoy full control of their credit health, from making payments to receiving statements.

In addition to South Africa's leading e-tailer Takealot.com, other popular online shopping sites available on the platform include iStore, Incredible Connection, BidorBuy, Superbalist, Hifi Corporation and Sportsman's Warehouse. Its network also includes flower and gift delivery service, NetFlorist; health and pharmacy brands like Dis-chem, Clicks and Wellness Warehouse, and travel providers such as Travelstart and Lift Airlines, with a range of flexible repayment options available to customers.

With the acquisition of Mobicred, RCS will accelerate its growth into the e-commerce ecosystem by adding new and bespoke brands to their already well-established shopping network of over 28,000 stores. The acquisition also allows the group to tap into new customer segments, with a particular focus on Gen Z's and Millennials – the biggest proponents of online sales in South Africa.



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Pioneering virtual credit provision since 2013

Founded in 2013, the Mobicred offering of a single credit account for all a customer's online shopping needs solidified its position as the country's pioneering virtual credit provider. Mobicred was a first mover and early adopter, and successfully grew its business, gearing it to take advantage of the country's shift to e-commerce, which was significantly accelerated by the pandemic.

"As part of the global BNP Paribas group, we are constantly looking for innovative technologies to enhance the customer experience and to bolster our engagements. It is important to stay abreast of new fintech developments and to integrate innovation into every touch-point in our business. Our core focus is to bring the best of both worlds together, marrying our physical store footprint with our digital capabilities to create synergies within the retail environment," explains Adams.

He adds that consumers' finance needs will be met wherever they are, either physically in-store, day or night. Consumers will have a more diverse product range at their fingertips, enabling them to choose items suited to their specific requirements.

Online retail environment - a platform for easy credit access

"Mobicred is a pivotal next step in unlocking this value. There are exciting opportunities opening up in our transactional realm for our retailers and their customers. We are here to partner in that journey. Plus we offer capabilities that unlock future access in an environment of continued disruption and evolution which enables us to expand our retail horizons."

"The business was founded on the idea that credit should be easily accessible in the online retail environment in the same way that it is available in the physical store environment," adds Mobicred founder and CEO, Jason Sive. "Soon after launching the business, customer behaviour immediately validated the demand for alternative payment types and the rapid growth in our customer base has helped the business achieve 70% year-on-year growth."

"We've been able to address a significant pain point for the South African market in which the demand for an alternative to traditional credit cards has increased exponentially over the last few years."

"Our integration into the RCS offering will allow us to get behind the drive towards making credit more accessible, user-friendly and transparent. We will work together to introduce innovations that will transform the future of the credit environment in South Africa," Sive said.

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