

The FutureList

Oze

Innovation Memo

Innovation In Words








A note from the Founder, Meghan McCormick:

Working so closely with small business owners, we've been able to create a platform tailored to the realities of today.

Oze

Executive Summary

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Fintech
- 
Enterprise SaaS
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getoze.com
- 
US\$ 4,900,000
- 
2018

Oze is a transformative mobile and web application designed to empower small business owners across Africa by providing them with essential financial management tools and access to capital. Through its innovative platform, Oze enables small businesses to efficiently track their business finances, make data-driven decisions, and unlock opportunities for growth. They also provide financial institutions with digital loan origination software with an inbuilt credit risk model.

Oze operates in a landscape marked by cybersecurity risks, intense market competition, and operational challenges. The company must remain vigilant against evolving cybersecurity threats to safeguard sensitive customer data and maintain trust. Differentiating its offerings amidst fierce competition is crucial to securing market share and relevance, requiring Oze to continuously innovate and enhance its value proposition. Robust operational risk management practices are essential to mitigate disruptions and ensure seamless service delivery, safeguarding the company's reputation and customer trust.

Despite these challenges, Oze is poised to capitalize on significant opportunities in the fintech landscape. By facilitating access to credit for underserved small businesses, the company contributes to financial inclusion and economic empowerment, tapping into a sizable market opportunity. Encouraging technology adoption among small businesses presents avenues for efficiency gains, productivity enhancements, and market competitiveness, aligning with broader societal trends. Strategic partnerships with financial institutions and stakeholders offer opportunities for scalability, market expansion, and the delivery of comprehensive solutions. Additionally, Oze's support for sustainable business practices, positioning the company as a responsible and forward-thinking player in the fintech space.



Meghan McCormick
Co-Founder and CEO

With a background in management consulting, Meghan is a systems thinker and strategist passionate about designing solutions that deliver real value to customers. She has positioned Oze as a leading provider of digital financial management solutions.



Dave Emnett
Co-Founder and COO

Dave holds an MBA with a focus on Business Analytics & Marketing. With expertise in marketing strategy, Dave leverages his experience in marketing analytics and entrepreneurship to drive growth at Oze.

Innovation Spotlight

Tech Innovation:

- **Core Functionality:** Oze serves as a comprehensive one-stop solution for small business owners, offering a range of essential services including bookkeeping, payments, e-commerce enablement and access to loans. By equipping entrepreneurs with the tools to manage their finances effectively, Oze empowers them to optimise performance, tap into networks, and access capital for expansion. Furthermore, Oze's platform also serves banks, fintech companies, and impact organisations to extend its impact and reach. Oze provides a digital lending technology portal, facilitating profitable lending to SMEs. Leveraging credit scoring powered by machine learning, Oze enables lenders to make informed decisions, expanding access to credit for small businesses. In addition, by partnering with companies and impact organisations, Oze offers tailored tools and products designed by experienced entrepreneurship support professionals. From providing value-added services to SME customers to delivering impactful monitoring and evaluation (M&E) and digital business education, Oze is dedicated to making small business programs a success.
- **Design & User Experience:** Oze has been developed in close collaboration with small business owners. Every new feature undergoes thorough field research and often involves co-creation workshops with small business owners. After designing a feature, Oze conducts UI testing with customers and makes necessary adjustments before its release. The company considers this initial release as version 1, and they typically continue to refine and improve features based on actual usage data from a broader customer base.
- **Performance Metrics:** Oze is engineered to function seamlessly even on older phones with limited memory space or in areas with poor network connectivity. Serving as the primary business management tool for the majority of their customers, reliability is paramount. Embedded within their values is a commitment to "Quality," driving them to uphold a 99.9% uptime standard. Furthermore, they meticulously track activation rates, customer retention, average transaction volume per active user, customer growth rates, total loans originated, and non-performing loans (NPLs), to gauge their performance and impact.
- **Integration:** Their business application is integrated with several other regional tech companies. For example, they use Paystack and Flutterwave to power payments in the Oze Shop, and SmileID to confirm identities. Oze has also partnered with some of the largest banks in the region to assist them in digitising their lending processes.
- **Safety & Compliance:** Oze works hard to protect not only their data but also customer data. The company is ISO 27001 certified and maintains its Information Security Management System including Disaster Recovery and Business Continuity programs. Moreover, Oze completes vulnerability assessments every quarter and external penetration tests annually.
- **Scalability of Innovation:** Oze's technology solution can evolve and adapt to increased demand and future advancements through several key strategies:
 - **Continuous Innovation:** Oze should prioritize continuous innovation to stay ahead of the curve and meet evolving customer needs. This involves investing in research and development to explore emerging technologies, such as artificial intelligence, machine learning, blockchain, and Internet of Things (IoT), that can enhance its platform's capabilities and functionality.
 - **User Experience Focus:** Oze should prioritize user experience (UX) design principles to ensure its technology solution is intuitive, user-friendly, and accessible across different devices and platforms. By conducting usability testing, gathering user feedback, and iterating on design improvements, Oze can enhance user satisfaction and retention. For example, Oze launched a feature that allows customers to pull transactions into Oze directly from their emails. The company is working to add more data sources so that customers can automatically pull in transactions from POS devices, bank accounts, mobile wallets and more.
 - **Strategic Partnerships:** Oze should continue to forge strategic partnerships with other fintech companies, financial institutions, technology providers, and industry stakeholders to leverage complementary strengths, access new markets, and accelerate innovation. Collaborating with ecosystem partners can enable Oze to offer more comprehensive solutions, expand its customer base, and drive mutual growth.

By implementing these strategies, Oze can effectively evolve and adapt its technology solution to meet increased demand and future advancements, positioning itself as a leading provider of digital financial management solutions in the fintech industry.

Business Model Innovation:

- B2B: Small Businesses (both formal and informal), Banks, Development Finance Institutions, Fintechs, Corporates, and Impact Organisations
- Their business model is unique in 2 primary ways:
 - First, they are not a digital lender. Rather they help banks to lend capital automatically to SMEs and help SMEs prepare to put that capital to its most efficient use. Because of that, they don't carry downside risk. Instead of earning interest, they earn a revenue-share and SaaS fees. This significantly changes the risk profile of the business.
 - Secondly, because enabling lending is only one of the services that they provide, they don't need to max out the interest rates that they can charge. They provide affordable loans and keep small businesses in the ecosystem, using the app to keep records and power their online shops. For these services, they charge a subscription fee and have a take-rate on sales going through the shop. For each of these features - lending, record keeping, and e-commerce enablement- they are able to be competitive on pricing while still building a business with strong unit economics and sustainable margins.

Market Impact & Future Outlook

Oze's current and potential market influence depends on its ability to innovate, differentiate, and effectively address consumer needs in the financial services industry.

ts future advancements could have significant implications for the industry, driving competition, improving customer experience, and reshaping the way financial services are delivered and consumed.

Societal & Environmental Impact

The work of Oze in digitizing lending processes and addressing the [USD 331 billion credit gap for small businesses](#) can have significant broader implications for society and the environment:

- **Financial Inclusion and Economic Empowerment:**
 - By facilitating access to affordable credit for small businesses, Oze contributes to financial inclusion by providing opportunities for entrepreneurs who may have been underserved or excluded from traditional banking services.
 - Increased access to credit can empower small businesses to grow, create jobs, and contribute to economic development, ultimately fostering greater social mobility and reducing income inequality.
- **Support for Sustainable Business Practices:**
 - Oze's focus on digitizing lending processes can streamline financial operations for small businesses, enabling them to adopt more efficient and sustainable business practices.
 - Access to affordable credit can support investments in sustainable initiatives, helping businesses reduce their environmental footprint and contribute to environmental conservation efforts.
- **Job Creation and Economic Growth:**
 - Small businesses are significant drivers of job creation and economic growth in communities. By providing access to credit, Oze helps small businesses expand their operations, hire more employees, and stimulate local economies.
 - Sustainable economic growth can lead to improvements in living standards, increased consumer spending, and greater overall prosperity for society.
- **Resilience Building and Risk Mitigation:**
 - Access to credit can help small businesses build resilience against financial shocks and unexpected emergencies, such as natural disasters or economic downturns.
 - By supporting the growth and stability of small businesses, Oze's work contributes to community resilience, reducing vulnerabilities and enhancing adaptive capacity in the face of various risks and uncertainties.
- **Technology Adoption and Innovation:**
 - Oze's digitisation efforts encourage small businesses to embrace technology and innovation in their operations, driving efficiency gains, productivity improvements, and market competitiveness.
 - Increased adoption of digital financial services can also enhance financial literacy and digital skills among entrepreneurs, empowering them to make informed financial decisions and leverage technology for business growth.

Potential Funding & Partnership

Opportunities

Having successfully obtained USD 3 million in pre-Series A funding, Oze, as a fintech platform dedicated to empowering small businesses in Africa, has the potential to explore a range of additional funding and partnership avenues.

Oze has partnered with some of the largest banks in the region to assist them in digitising their lending processes. This collaborative strategy enables Oze to expand its reach more swiftly compared to attempting to address the USD 331 Billion gap in small business credit independently. Through partnerships, the company aims to substantially diminish this credit gap and ultimately contribute to its complete elimination.

Overall, by strategically pursuing funding and partnership opportunities aligned with its mission and growth objectives, Oze can accelerate its efforts to empower small businesses and drive economic growth in Africa.

Overall, Oze's work has the potential to generate positive social, economic, and environmental outcomes by promoting financial inclusion, supporting sustainable business practices, fostering economic growth, building resilience, encouraging innovation, and contributing to environmental conservation efforts. By addressing the credit gap for small businesses, Oze plays a crucial role in advancing societal well-being and sustainability.

Potential Roadblocks & Risks

Here are some potential challenges and corresponding mitigation strategies:

Cybersecurity Threats: With the increasing frequency and sophistication of cyberattacks, Oze faces the risk of data breaches, hacking attempts, or other cybersecurity threats that could compromise sensitive customer information.

- **Mitigation Strategy:** Oze should implement stringent cybersecurity measures such as encryption, multi-factor authentication, and regular security assessments. Continuous monitoring of IT systems, incident response planning, and employee awareness training on cybersecurity best practices are essential for mitigating cybersecurity risks.

Market Competition: The fintech space is highly competitive, with numerous players vying for market share. Oze may face challenges in differentiating its offerings and maintaining a competitive edge.

- **Mitigation Strategy:** Oze should conduct thorough market research to identify gaps in the market and develop unique value propositions that resonate with its target audience. Building strong brand recognition, delivering exceptional customer service, and continuously innovating its products and services can help Oze stay ahead of competitors.

Operational Risk: Operational disruptions, such as technology failures, system outages, or internal errors, could impact Oze's ability to deliver services effectively.

- **Mitigation Strategy:** Oze should implement robust operational risk management practices, including redundancy measures, disaster recovery plans, and regular testing of IT systems. Establishing clear operational procedures, fostering a culture of risk awareness among employees, and maintaining adequate insurance coverage can help mitigate operational risks.

Customer Trust and Reputation Risk: Negative publicity, data breaches, or dissatisfaction among customers could erode trust in Oze's brand and reputation.

- **Mitigation Strategy:** Oze should prioritize transparency, privacy protection, and ethical business practices to build and maintain trust with customers. Prompt and transparent communication in the event of any issues, implementing robust data protection measures, and actively seeking feedback from customers can help safeguard Oze's reputation.

By proactively identifying and addressing these potential challenges and risks, Oze can strengthen its resilience, enhance operational efficiency, and mitigate potential adverse impacts on its business operations and reputation.

Conclusion

Across Africa there is a [USD 331 Billion SME credit gap](#), driven by antiquated origination processes at banks, an inability to assess risk, and a lack of formalized digital management tools and processes used by small business owners. Oze provides banks with an end-to-end digital origination system that allows any bank to start lending to small businesses.

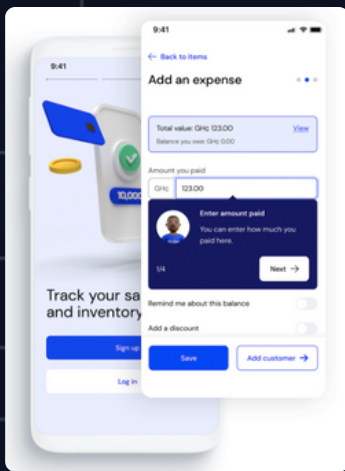
The Oze business app supports the professionalization and digitization of financial data and business processes for SMEs. With the app, SMEs can keep records, track inventory, send invoices and receipts, manage credit, and sell online. Use of the app also generates powerful behavioral data. All of this data is fed into their machine learning model to predict credit risk, making it possible for banks to lend to formerly excluded SMEs.

Both the Oze Loan Management System and the Oze Business App work independently, but when they are used as a system, they create industry-leading performance for both their bank clients and MSMEs. Entrepreneurs who manage their businesses on the app have the lowest Non-Performing Loans (NPL) ratios at less than 2% and are on average approved for 2 times as much credit as similar businesses not using the Oze App.

In conclusion, Oze emerges as a pivotal player in the landscape of small business support in Africa. Through its innovative platform and strategic partnerships, Oze is not only digitizing lending processes but also empowering entrepreneurs to thrive in their endeavors. With its headquarters in Accra, Ghana, and a presence in Lagos, Nigeria, Oze is strategically positioned to support the growth of MSMEs across the region. As Oze continues to expand its reach and impact, it remains committed to driving sustainable economic growth and fostering a brighter future for small businesses everywhere.

Innovation In View

How **Oze** brings innovation to life



Business Application

Oze serves as a comprehensive one-stop solution for small business owners, offering a range of essential services including bookkeeping, payments, and access to loans.

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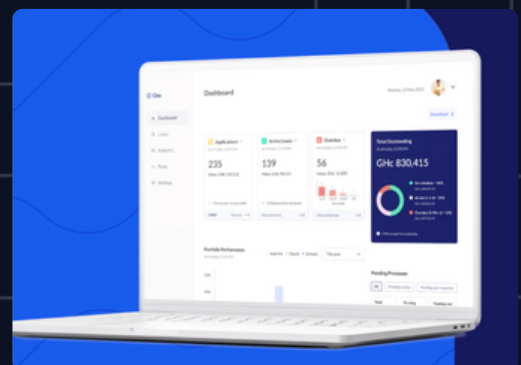
Incorporated in the business application, Oze Shop enables businesses to create a custom online shop (with no domain or website hosting needed), and offers the following features:

- Product links - Send individual products to customers.
- Delivery methods - Provide multiple ways for your customers to get your products.
- Automated stock out - Stop selling products you don't have. Auto-remove out-of-stock products from shop.
- Shop analytics - Monitor how much sales you're making from each of your products.
- Shop chat - Customers visiting your online shop can chat you with any questions.

From tailors to caterers to barbers, small business owners are getting tremendous value from getting their business on Oze.

Loans Management System

Oze collaborates closely with banks, fintech companies, and impact organizations to extend its impact and reach. Through partnerships with financial institutions, Oze provides a digital lending technology portal, facilitating profitable lending to SMEs. Leveraging credit scoring powered by machine learning, Oze enables lenders to make informed decisions, expanding access to credit for small businesses.



Contributors

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The FutureList



Notes on our methodology

About The FutureList

The FutureList is dedicated to identifying and linking innovative technology companies with the investors, talent and strategic growth partners they need to rapidly scale their innovation. The FutureList leverages its network of local Innovation Scouts, a comprehensive online platform, and curated events to rapidly spot and match opportunities. The FutureList network has already profiled over 6,000 innovative companies, investors and partners globally.

We scout across a broad range of sectors in tech, aiming to identify the most innovative startups globally. This includes everything from AI to biotech, renewable energy, and more. The 10 categories we currently focus on are: Agriculture (farming, food, beverages, crops, forestry, aquaculture, livestock, irrigation, veterinary, etc.), Climate (electricity, energy, environment, renewables, recycling, circular economy, carbon credits, cleantech, etc.), Education (e-learning, school management, assessments, upskilling, tutors, languages, etc.), Enterprise (legal services, AI, cyber security, market research, recruitment, HR, customer success, consulting, SaaS tools, business analytics, etc.), Finance (banking, capital, trading, lending, personal finance, insurance, crypto, real estate, etc.), Health (medicine, biotech, medical equipment, pharmaceuticals, public health, digital health, hospitals, health records, wellness, fitness, beauty, etc.), Infrastructure (architecture, materials, computer networks, safety, law enforcement, construction, data centers, machinery, telecom, wireless internet, manufacturing, etc.), Media (marketing, influencers, animation, arts, gaming, fashion, content, platforms, music, publishing, translation, editing, etc.), Mobility (delivery, transportation, etc.), and Supply Chain (e-commerce, warehousing, logistics, retail, etc.)

About Our Innovation Scouts

Our Innovation Scouts are experienced professionals from diverse sectors with a keen eye for groundbreaking technologies and business models. They undergo rigorous training to ensure they provide maximum value to the startups they work with. They conduct their research on a volunteer basis. We have strict ethical guidelines in place. Any Scout with a potential conflict of interest is recused from the process to ensure fairness and objectivity.

About Our Innovation Memos

Innovation Memos provide a comprehensive profile of an innovator, whether its a startup, hub, investor or more established corporate, highlighting technological and business model innovations. The Memo is written in direct consultation with a verified representative from that entity, and also outlines suggestions around how to rapidly scale their innovation further through use of The FutureList's network. Once published, the Memo accessible to our network of investors, partners, and the general public for free on our platform. The Memo process is completely free for the companies featured as well. The entire process, from initial contact to publishing the Innovation Memo, typically takes about 4-6 weeks, but this can vary based on the startup's availability and responsiveness. Our goal is to promote and scale innovation globally. The FutureList platform and events are sponsored by partners.

Scaling Innovation

How **The FutureList** identifies and scales innovation globally



Ecosystem and sector mapping

Our Innovation Scouts identify the most innovative early-stage and growth-stage tech companies across key sectors in tech hubs around the globe.



Innovation memos and platform profiles

Our Innovation Scouts interview founders and tech executives to publish innovation memos and create a comprehensive company profile on our public online platform.



Introductions to strategic opportunities

Our Innovation Scouts share company profiles with relevant investors and strategic growth partners across our global ecosystem, and facilitate warm introductions where requested.



Private dinners and fireside chats

Our exclusive evening events bring together founders, tech executives and other special guests for networking and interactive discussions around technology and innovation.



Global summits & learning trips

Featured companies will be invited to larger annual events held at the regional and global stage that connect the most innovative companies with opportunities for further visibility.

Sponsor

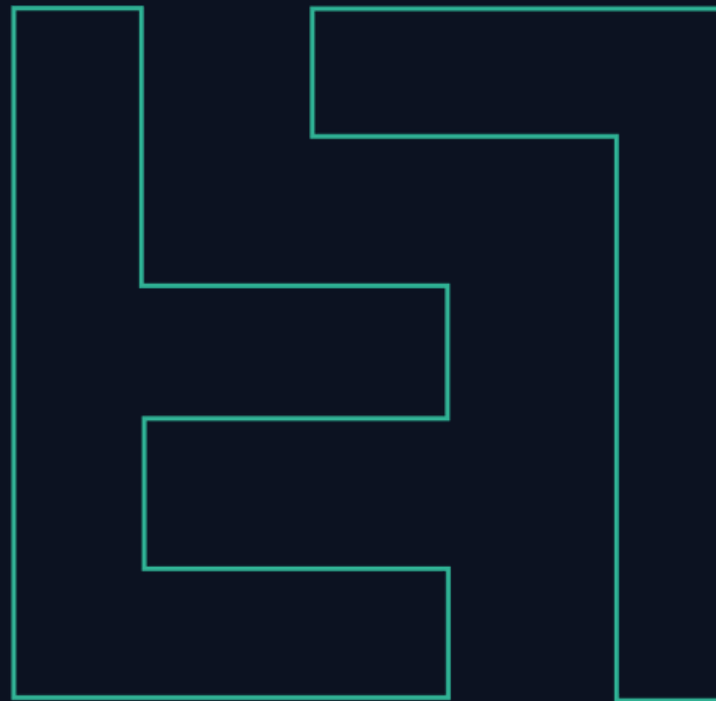
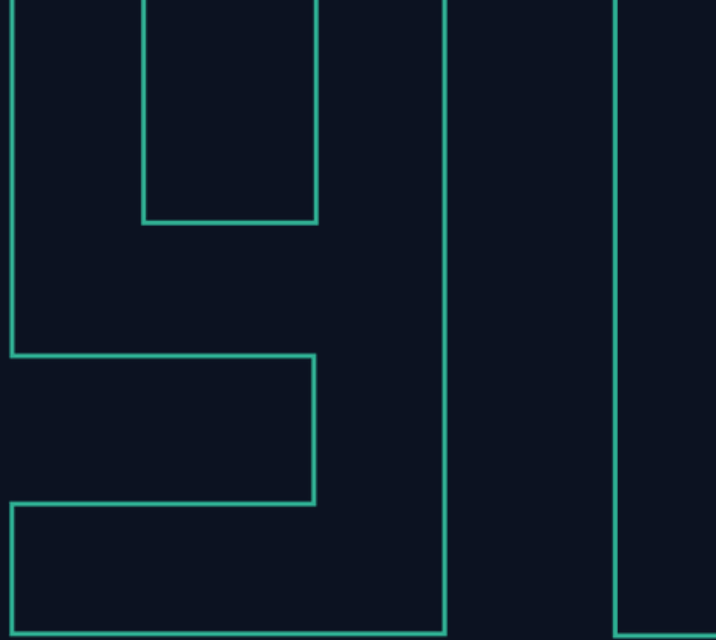
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Sand Technologies, a global technology services company with presence across Silicon Valley, France, the UK, Romania, and several emerging markets, is at the forefront of supporting scale-ups worldwide in overcoming the challenges of rapid growth. We're currently aiding businesses in the United States, New Zealand, Denmark, the Netherlands, the UK, the UAE, South Africa, Kenya, and numerous other locations in developing scalable technology products, constructing world-class tech teams, enhancing revenue generation, and elevating customer satisfaction.

Learn more at www.sandtech.com

The FutureList



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