

TNB*AURA* ESG: Super-app - Case Study

Providing staple goods to underserved communities

Indonesia's struggle to reduce living expense inequality in underserved cities

About 85% of Indonesians live in tier 2 or tier 3 cities or other rural areas (Statistics Indonesia). These areas lack the infrastructure and distribution networks of major cities like Jakarta and Surabaya. As a consequence, staple goods are not only available in smaller volumes but also at higher prices. In fact, staple food prices in these underserved areas are more than twice as expensive than in better connected cities (World Bank).



The Super team (2022)

Price parity of staple goods across the country

Super is an online platform that connects consumers, resellers, and producers of staple products. The social commerce company was founded in 2018 with the goal of achieving price parity in Indonesia by bringing a larger variety of goods at lower prices to communities in underserved areas. Super's core business and distribution network has always focused on underserved communities, which differentiates them from competitors operating in major Indonesian cities.

The company engages small and individual resellers from underserved communities as Super Agents, who aggregate demand from their communities and place larger orders via the app. After receiving the orders, producers deliver the goods to Super's strategically located warehouses in West and East Java and South Sulawesi. Super transports the goods from their warehouses to Super Agents, who fulfil last-mile delivery to consumers and earn a 5% commission for every transaction. Cost savings are generated from wholesale prices by aggregating orders, and reduced logistics costs from tapping into more efficient local supply chains.

Partnering with TNB Aura

A partnership with TNB Aura has proven to be invaluable to Super. In the words of CEO and Co-founder Steven Wongsoredjo, "When no one knew about us yet, TNB Aura believed in our business model and saw an opportunity for us to become future market leaders. They have a thorough understanding of the Indonesian market, our competition landscape, and the e-commerce industry." Beyond Indonesia, TNB Aura's international team also provides Super with a global network and perspective. Super additionally benefits from TNB Aura's promotion of ESG standards and impact management. "From the start of our partnership, TNB Aura engaged us to mitigate the environmental and social risks of our business. Also, the team helped us track the results of our impact ambition to bring affordable goods to underserved communities and to see where we can optimise these positive effects."

Improving lives in underserved communities

Unsurprisingly, Super's most important impact is on its users. The company contributes to equality of access, employment and economic growth in Indonesia. Super offers up to 14% of cost-savings on goods to more than 750,000 consumers in 2022, which also results in strong retention rates (82.7% at the end of 2022). Second, there are 63,714 employed Super Agents who benefit from additional household income. On average, Super Agents earn an additional \$30-\$45/month from transaction commissions, putting them 30% above minimum wage in Indonesia. Lastly, Super wants to drive adoption and reach of local FMCG products. Going forward, the company wants to acquire local FMCG brands, distributing these local goods to Super's sizeable user communities. As a result, the company will drive local value creation, make FMCG brands competitive against international brands, and continue to serve the rural population.