

# PAXI is not just a ‘parcel in a taxi’

**PAXI connects families, small businesses and corporate enterprises with their customers through the most affordable, safe and convenient parcel service.**

On the back of customer insights obtained from PEPmoney's money transfer business, PEP's PAXI story began in 2015. They identified an opportunity to help their customers submit their Unisa academic papers to the university. At that stage it was a manual service for documents only.

Customers quickly caught on to the service and started asking for more. PAXI evolved into the fully fledged send, collect and return business it is today.

A dedicated team was put together. Research was done on international best practice. Based on the customer/parcel journey, Pepkor IT developed an agile bespoke technology system integrating Pepkor Logistics and other courier infrastructure.

PEP has more than 2 000 stores across South Africa, which gives it the largest counter footprint of any institution or courier service company. With product deliveries made to PEP stores daily, PAXI parcels were merely put onto the same trucks heading to the same destination for collection. Using in-house development capabilities and an existing transport network, no additional infrastructure was required, only technical infrastructure enhancements.

Using group capabilities, PEP and PAXI are able to provide a courier service that is more affordable than any other courier and counter service. In line with the group's purpose, PAXI provides customers with affordable access to a variety of products and services. PAXI has also become the service of choice for entrepreneurs who previously could not



grow their SME businesses due to a lack of delivery options in the market.

Today PAXI partners with third-party logistics suppliers that provide a collection service, while Pepkor IT's continuous technology development provides a fully integrated online service to SMEs and clients, enabling them to seamlessly on-board their packed product parcels to the PAXI system.

Despite the intellectual property and financial investment in the system and the business, PAXI's success is also dependent on the service delivery in store by PEP's employees and their day-to-day interaction with customers.



Parcel delivery options are from three to seven days. The average parcel delivery time is 4.8 days, with approximately 4 000 parcels being delivered daily.



## INPUTS → OUTPUTS →

- Investment in innovation and technology
- Intellectual property, skill and experience
- Logistics and supply chain experience
- Continuously reviewing, adapting and improving processes
- Synergies across brands and businesses
- Expansive (shared) footprint

- Largest counter delivery service and footprint in South Africa
- Cheapest LFL parcel delivery service
- Delivery and price options
- Product and footprint growth opportunities with additional stock keeping units and group synergies

**1 million**  
PARCELS DELIVERED SINCE INCEPTION  
THREE YEARS AGO

**30%**  
OF PARCELS ARE SENT BY SMEs AND OTHER  
BUSINESSES

**4%**  
OF PARCELS TRAVEL LESS THAN 50 KM