Lions on the Move: Progress & Potential of African Economies*

Today*

> $1.6 trillion – Africa's GDP, roughly equal to Brazil's or Russia's

> $860 billion – Consumer spending

> 316 million – New mobile phone subscribers since 2000

> 52 – Number of cities with >1M population

> 20 – Companies with revenues > $3B

> 1M – Annual new car sales

Tomorrow*

> $2.6T – GDP in 2020

> $1.4T – Consumer spending in 2020

> 1.1B – Working age Africans in 2040

> 50% - living in cities by 2030

> 6M – Annual new car sales

* Source: McKinsey Global Institute, International Business Times

A growth story worth investing in!!

Retail Fueling Implications

> Rapidly growing and urban middle class with increasing car ownership; Increased congestion on fueling forecourts

> Goods and people move primarily via roads without viable alternatives; Increasing industrial output & demand driving increased commercial vehicle usage

> High unemployment, low wages -- high value and price of fuel creates environment for fraudulent activities

> Fuel costs remain a substantial component in commercial & fleet organization's budget that is difficult to monitor and control

Fuel Retailers and Customers are Transitioning

Today

> **Consumers**
> > Cash-based transactions
> > Territorial (spend locally)
> > Necessity over convenience

> **Retailers**
> > Localised
> > Historically focused on fuel
> > Manual processes dominate
> > Concerned with safety
> > Focused on retail customers
> > Legacy Standard Operating Procedures

Emerging

> **Consumers**
> > Cash-less payment preferences
> > Increasingly mobile
> > Convenience focused

> **Retailers**
> > Cross Border operations
> > Diversifying offerings
> > Automating processes
> > Concerned with safety and environment
> > Focus on retail & commercial customers
> > Technology driven

Opportunity to modernize retail fueling across the region

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How Oilcos are Responding

> Growing their networks through site acquisition and new construction
>> Require new ways of managing increased scale of networks

> Expanding into C-stores and food service to meet maturing consumer demand
>> Require new ways of managing increased transaction complexity

> Focusing on growing fuel management needs of commercial and fleet customers
>> Require new ways to show value to fleets and commercial customers

> Leveraging cashless payments for security, speed and customer loyalty
>> Require new ways to integrate various payment methods

> Modernizing their business models and infrastructure to reduce fraud and increase control
>> Require new ways to automate business processes and controls

> Improving site uptime to ensure always available fueling
>> Require higher service levels for complex equipment

Oilcos driving greater efficiency and profitability through automation

Supplier Challenges

> **Multi-Geography:** Ability to educate, deliver, and support customers locally with growing networks across countries & regions

> **True Site Integration:** End-to-end solutions, configurable regionally, to work flawlessly across boundaries; On the forecourt and inside the store

> **Technology that Enables Your Strategy:** Flexible solutions designed to let you decide how to run your business; right for today, flexible for the future

> **Tough Operating Environment:** Power quality; ambient conditions; operator skills - all present different challenges

> **Service and Support Challenges:** Need to step up to greater technology and sophistication; Certified service network with training, parts, and high service levels that crosses boundaries

Biggest challenges are service and support infrastructure

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Rationale for Automation

> **Operational Efficiency**
> > Manage site, network operations and prices on-site and remotely
> > Eliminate manual processes

> **Improve throughput**
> > Cashless payment
> > Improved transaction speeds

> **Visibility and control of wetstock**
> > Identify loss and variance
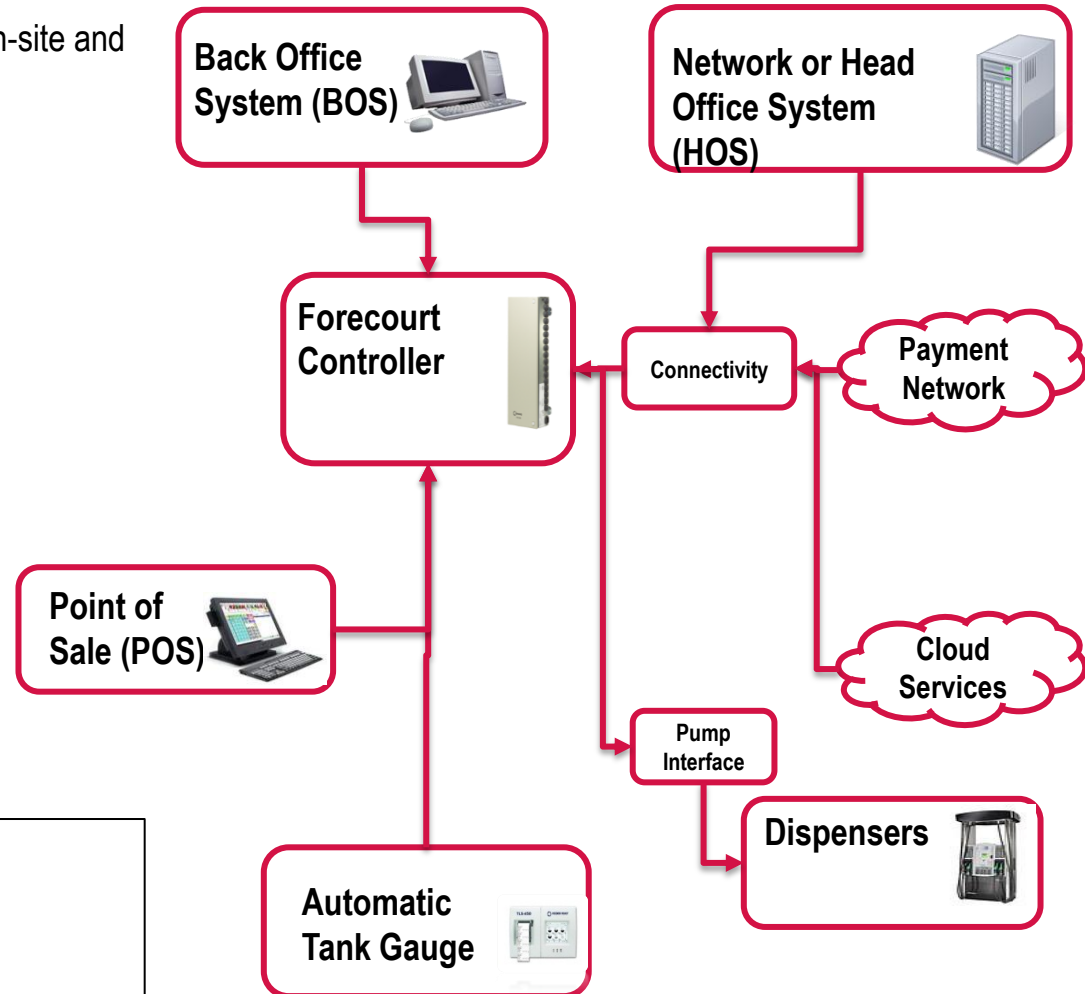> > Schedule and track deliveries
> > Track attendant performance

> **Customer convenience & loyalty**
> > Improve customer service and site efficiency

Sample Site Architecture

Site Architecture
> Invest time and thought
> Understand future vision
> Start from your next site

Middle East Oil Company: Delivering a Better C-store & Card Experience

Needs:

> C-Store & forecourt integration

> Transition from paper to digital cards

> Environmental compliance

> Unique fleet & consumer cards to increased loyalty

Solution:

> End-to-End retail solution

> > FCC, POS, BOS, HOS, ATG

> Branded online card management

> > Cards, Vehicle ID, Web-Access

Value Delivered:

> Increased number of return customers

> Single point-of-control (c-store, cards, forecourt)

> Increased commercial contracts

> Automated and accurate reconciliation

Oil Company Supplying a Bus Company: Driving volume by winning fleet customers

Needs:

> Fleet: Control & track fuel cost by driver & vehicle

> Oilco: Loyalty through value added fuel supply relationships

Solution:

> Fleet management system

> > FCC, HOS, ATG, Terminal

> Driver and vehicle RFID tags

Value Delivered:

> Reduced fuel theft

> Optimized fuel inventory and replenishment

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National Oil Company: Improving loyalty, card usage, & fuel availability

Needs:

> Increased differentiation & volume through loyalty

> Eliminate fuel card fraud

> Affordable expansion of card & loyalty acceptance to dealers

> Centralised wetstock management and asset protection

Solution:

> Core: FCC, ATG, payment terminal, cloud based fuel management services

> Optional: POS, BOS

Value delivered:

> Loyalty driven volumes with extensibility to cross channel rewards

> Transactional fuel card reconciliation with scalability to credit / debit

> Real-time wetstock visibility to avoid run outs and leaks

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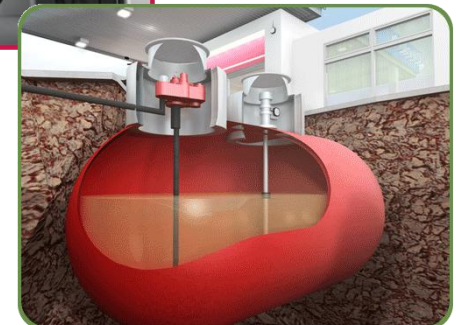
Middle East Oil Company: Self-service payment and Interactive multimedia on the forecourt to drive sales and brand

Needs:

> Increase profitable C- Store sales

> Drive loyalty adoption & use

> Improve consumer experience & brand image

Solution:

> Pay@Pump with large multimedia screens

> POS integrated upselling content management

Value Delivered:

> Improved image and customer response

> Industry buzz, increased throughput

> Higher promoted item sales

Multiple Customers: Early Adoption of Forecourt Innovations

Actionable Loss Analysis in Emerging Markets

Needs

> Identify and reduce sources of fuel loss
> Stop theft events as it happens

Solution

> Integrated FCC & ATG
> Advance variance analysis algorithms & diagnostics

Value Delivered

> Visibility and control of losses across the network

Wireless Forecourts in Africa

Needs

> Prohibitive cost of digging / laying
> Reliable method of communicating to dispensers / attendant tagging

Solution

> Forecourt Controller
> Wireless Interfaces

Value Delivered

> Ability to automate any forecourt

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Fuel Retailing in Africa – Summary

Customer Objectives	Technology Delivers
Visibility & Control	> Reduced fuel and cash losses > Improved operational efficiency > Head-office control
Best Customer Experience	> Convenience > Speed > Customer loyalty
Community Responsibility	> Health & safety > Regulatory & environmental compliance

Supplier Requirements

> Increased capability to deliver integrated solutions sustainable over the long-term

> Localization and customization to deliver fit for purpose and region solutions

> Capability & broad geographic coverage to serve and support local customers

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