

Kuwait's Agility Invests \$100M To Launch Digital Logistics Firm Shipa.com

Kuwait-based logistics firm Agility has announced that it will invest \$100 million over three years to launch a new digital logistics platform called Shipa.com that will allow businesses and consumers to manage their freight, e-commerce and deliveries online.

According to Agility Chairwoman, Hanedi Al-Saleh, Shipa.com aims to make "life easier through technology."

"Shipa.com makes logistics convenient, jargon-free, trackable, accountable and accessible," she says.

Agility's foray into a digital logistics platform comes as the industry is grappling with technological disruption. The logistics industry has, however, introduced innovation at a slower pace, which has threatened its viability. But digitization could help in improving operational efficiency.

According to a report by the World Economic Forum, there is \$1.5 trillion of value at stake for logistics players and a further \$2.4 trillion worth of societal benefits as a result of digital transformation of the industry up until 2025.

Agility's latest launch helps it tap into small businesses, a competitive area for many logistics giants that often focus on bigger firms.

"Logistics is the backbone of commerce. But it's complex, and that complexity is disproportionately difficult for small businesses to navigate. Small businesses often lack access to the logistics resources, tools and solutions that larger businesses have," explains Al-Saleh.

"No wonder then, that when we interviewed 800 small and medium-sized businesses around the world, we found that 78% wanted to see their logistics move online. Shipa helps close that gap, empowering small businesses to take advantage of the opportunities being created by the global digital economy."

Shipa's service lines include e-commerce, delivery and freight, the company said in a statement.

Agility, which reported a profit growth of 12.3% in the third quarter this year, has plans to invest about \$2 billion in infrastructure, real estate and technology businesses by 2020, according to company's chief executive Tarek Sultan. It has major logistics operations in the Middle East and Africa.

The company has also shown an interest in investing in startups or small companies that could complement its operations. Earlier this year, Agility invested an undisclosed sum in India-based artificial intelligence-based platform for cross-border e-commerce Eunimart.

Regionally, it has invested in UAE-based delivery app Carry and Saudi Arabian digital trucking marketplace Homoola.

Agility's venture capital arm has also invested in US-based Hyliion and Brazil's Cargox, a shared economy freight platform.

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