



## **DAGANGAN Raises \$11.5 Million in Series A to Expand Across Indonesia and Boost Rural Economic Growth Led by Monk's Hill Ventures**

- *The funding will be used to grow DAGANGAN's house brand of private-label local products, product development, talent acquisition, and grow partnerships with community leaders, key opinion leaders, local entrepreneurs, and village chiefs*
- *DAGANGAN aims to target a market of US\$172 billion by building a network of microentrepreneurs in smaller cities and villages, impacting 100 million consumers*
- *DAGANGAN also plans to continue to expand its footprint in tier-3 cities and tier-4 villages including Java, Sumatra, and Kalimantan*
- *To date, DAGANGAN has grown 12 times over 16 months, currently processing around 25,000 orders a month, with more than 20 products under its house brand. DAGANGAN has more than 100 community leaders in its network and is currently present in eight tier-3 cities and 5,000 tier-4 villages*

**Indonesia, 21 September 2021** - DAGANGAN, the leading social e-commerce platform for underserved rural communities in Indonesia, has raised US\$11.5 million in Series A funding led by Monk's Hill Ventures. Other investors include MMS Group, K3 Ventures, Spiral Ventures, and PnP. DAGANGAN supplies fast-moving consumer goods (FMCG) to underserved rural communities through its Android app and partnerships with community leaders.

The funding will be used to grow DAGANGAN's house brand of white-label local products such as frozen foods, groceries and homeware appliances, product development such as expanding digital product features including paylater, logistics pick-up and delivery, talent acquisition, and growing partnerships with community leaders, key opinion leaders, local entrepreneurs, and village chiefs. In addition, DAGANGAN also plans to continue to expand its footprint in tier-3 cities and tier-4 villages including Java, Sumatra, and Kalimantan.

“Our vision is that each and every one of the 100 million individuals in the underserved rural communities in Indonesia will have easy access to basic and high-quality local daily necessities and goods at affordable prices. A typical consumer can travel on average 20 kilometers for groceries. For small producers and sellers, the barrier to grow their businesses and have a wider distribution of their products and goods will no longer be a challenge,” said Ryan Manafe, Co-Founder and CEO of Dagangan.

The rural communities in Indonesia which make up 80% of the population of Indonesia are currently underserved where the average consumer can pay up to 35% for everyday necessities and groceries compared to tier 1 and tier 2 cities in Indonesia. The challenge is further exacerbated by inefficient supply chains and poor logistics networks. By building and scaling a

tech-enabled community-based hub, DAGANGAN aims to boost rural economic growth, make the supply chain the most efficient and serve the underserved in these markets.

“Supplying basic daily necessities to rural communities in Indonesia continues to be one of the most complex problems to solve with existing inefficient supply chains and logistics networks. DAGANGAN’s hub-and-spoke model has shown impressive traction and an early proven track record that is impacting communities. We believe that Ryan, Wilson, and the DAGANGAN team are well-positioned to be a formidable contender in this market with their strong operational backgrounds and local Indonesia expertise,” said Peng T. Ong, Co-Founder and Managing Partner of Monk’s Hill Ventures.

DAGANGAN currently uses a tech-enabled hub and spoke approach where they will reach out to KOLs in a new market e.g. village chiefs, microentrepreneurs, or community heads in key areas. After establishing these key relationships, DAGANGAN will work with the supply chain which may include FMCG producers and wholesalers or warung owners (shop owners) to deliver group orders cultivated by the KOL to consumers within 24 hours. The group orders are placed on DAGANGAN’s Android app. DAGANGAN also produces its private-labeled products such as groceries through its partnerships with local farmers.

To remove the need for multiple layers of distribution and to create a more efficient supply chain, DAGANGAN also enables direct product delivery from manufacturers or farmers to users. Its group-buying model aggregates demand based on location, enabling users to make a joint purchase with other buyers, assisted by agents who will facilitate the end-to-end user experience. DAGANGAN is focused on making access to daily necessities and high-quality local products in intra- and inter-rural or suburbs as easy as possible to improve and positively drive economic conditions and opportunities. This strategy reduces the cost of the supply chain by 95% as compared to other supply chain suppliers throughout the country.

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To date, DAGANGAN has a footprint in eight tier-3 cities and 5,000 tier-4 villages in over 50 regencies. DAGANGAN has also distributed over 20 local products from smaller farmers and distributors to a wider market. DAGANGAN today has more than 20,000 active users that manage over 3,000 SKU.

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## **About DAGANGAN**

Founded in 2019 by Ryan Manafe and Wilson Yanaprasetya, DAGANGAN is the leading social e-commerce platform for underserved rural communities in Indonesia. DAGANGAN's vision is to boost rural economic opportunities and growth by providing access to high-quality and basic daily necessities to rural communities (which make up 80% of the population) in Indonesia. DAGANGAN which means 'trading' in Bahasa Indonesia supplies fast-moving consumer goods (FMCG) to underserved rural communities through its Android app and partnerships with community leaders.

To date, DAGANGAN has covered more than 5,000 villages in over 50 regencies, further empowering the communities in these areas. DAGANGAN has also distributed over 20 local products from smaller farmers and distributors to a wider market. It currently also distributes more than 20 private-labeled products, such as rice, brown sugar, and snacks items. DAGANGAN today has more than 20,000 active users that manage over 3.000 SKU.

Find out more at [www.dagangan.com](http://www.dagangan.com)

## **About Monk's Hill Ventures:**

Founded in 2014 by entrepreneurs Peng T. Ong and Kuo-Yi Lim, Monk's Hill Ventures ('MHV') is a venture capital firm investing in early-stage technology startups, primarily Series A, in Southeast Asia. Backed by institutional investors and family offices worldwide, MHV works with great entrepreneurs to use technology to improve the lives of millions (of people) in the region. Find out more at [www.monkshill.com](http://www.monkshill.com)

## **Press Kit**

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