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PayPoint announces £6.6m investment in the Snappy Group

08 July, Welwyn Garden City: PayPoint has today announced a £6.6m investment in the Snappy Group home delivery business. The deal will see PayPoint acquire a stake in the Dundee-based firm with PayPoint Group's CEO, Nick Wiles, taking a seat on the Snappy Group board.

The investment follows the announcement last month of a partnership between the two brands, in which PayPoint One EPOS customers will be given access to the Snappy Shopper platform, and with it the ability to offer home delivery and click-and-collect options to local shoppers.

Consumer demand for local home delivery has exploded over the past 18 months with the Covid-19 pandemic accelerating growth and businesses across the UK needing tech-driven, cost-effective digital solutions to service their local communities. The appetite for shopping local is showing no signs of slowing, with PayPoint research conducted earlier in the year confirming that two in three people said their local convenience store has become more important to them over the past 12 months and over a quarter will continue to do more local shopping as restrictions ease.

This commercial agreement, signed this week, is a firm commitment from PayPoint to offer more added value services and growth opportunities to its convenience retail partners and to help them expand the reach of their stores to more customers in their local communities.

Nick Wiles, Chief Executive of PayPoint, said: "We're delighted to be investing into the Snappy Group business, building on the partnership that we announced recently to integrate their home delivery and click and collect technology with our own. This investment will enable PayPoint and our network of convenience retailer partners to remain at the forefront of retail and consumer trends."

Mike Callachan, Co-founder of the Snappy Group, added: "Demand for the fundraise exceeded our expectations and we are pleased to have attracted such high-profile investors. Post lockdown the demand for home delivery and the desire to shop locally is greater than ever, but the increasing number of anonymous dark stores is a threat to local businesses and communities, which must not be underestimated. We are well placed to empower local business to offer another great service to their customers, and better compete in this fast-changing retail market.

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About PayPoint

For tens of thousands of businesses and their customers, we make life and payments more convenient.

For retailers, we offer innovative and time-saving technology that empowers them to achieve higher footfall and increased spend so they can grow their businesses profitably. Our innovative retail services platform, PayPoint One, is now live in over 17,800 shops in the UK and offers everything a modern convenience store needs. More broadly, we also provide card payments

services to thousands of growing businesses across the convenience retail, hospitality, auto trade, clothing and households goods sectors. Our technology helps companies to serve customers quickly, improve business efficiency and modernise their operations.

For clients of all sizes, we also provide market-leading payments technologies without the need for capital investment. Our seamlessly integrated omnichannel solution – MultiPay – is a one-stop shop for digital and other customer payments, via any channel and on any device.

Together, these solutions help millions of consumers to control their household finances, make essential payments and access services like cash withdrawals, eMoney and parcel collections and drop-offs. Our UK network of more than 28,000 stores is bigger than all banks, supermarkets and Post Offices together, putting us at the heart of communities nationwide.

About the Snappy Group

The Snappy Group is formed of two businesses, Snappy Shopper Ltd and Hungrrr Ltd, operating in the growing UK convenience grocery sector and the hospitality sector respectively.

Launched in Dundee in December 2017, Snappy Shopper is a technology solution provider that connects communities with their local businesses. Via its app and website consumers can order groceries from their local convenience store and have them delivered by the store's own drivers to their homes in as little as 30 minutes. No longer solely reliant on footfall, this allows retailers to extend their customer base and service, as well as compete in this fast-growing home delivery market. This not only caters to the trend for top up shopping but also an increasing desire by consumers to access and support local businesses. Retailers can increase revenues significantly with average basket spend more than trebling online, while maintaining their in-store pricing. The Company currently serves retailers from most major players and has partnership agreements with several regional Co-op's, Nisa and SPAR.

Hungrrr, launched in 2016, offers the hospitality sector, including restaurants, hotels and stadia, affordable solutions to take online orders, whether that is ordering drinks to a table in a pub, breakfast to a hotel room or pre-ordering food at a major sporting event. The platform's white label functionality and branding can be tailored to each client which has proven attractive to businesses such as Hilton, BrewDog and Subway.

The Group has 1540 business partners today with more than 1 million users across England, Scotland, Wales and Northern Ireland. Annualised Gross Merchandise Volume (GMV) is £132m.