



## Customer Acquisition and Customer Real Estate

Huge has a very substantial real estate of customers, which includes three of South Africa's leading financial institutions, but its real estate of SME customers with a low concentration of spend is the attribute that best informs its investment case.

The primary objective of the Growing Huge Strategy is growing Huge's real estate of customers and in particular its real estate of corporate customers, whether or not they are small-office-home-office customers, SMEs or medium to large corporate organisations.

The value of Huge's real estate of customers is often underestimated – Huge has a real estate of customers similar in size to some of the larger financial institutions in South Africa and because of the frequency and intensity of its engagement with these customers it can be argued that it is better placed to leverage this value.

Huge's engagement with its customers is not fleeting or once-off – it is a daily engagement informed by the services that the Huge operating companies provide to these customers. These services, which happen to be connectivity services, ensure that Huge is always connected or engaging with these customers because Huge is providing the very connectivity that keeps these customers connected to the world. The frequency and intensity of these connections or engagements is the steel which reinforces the foundation of Huge's investment case.

In many cases, the two largest costs of doing business is the cost of customer acquisition and, the cost of credit vetting and credit losses. It takes months, if not years, to forge new relationships with new customers and to build the trust which is required to do business and it costs a lot of money to get this right. Huge can introduce new businesses to this real estate of customers, who will then be in the fortunate position of not having to bear customer acquisition costs, credit vetting costs and credit losses as primary costs of building a business.