

# Growing Prosperity

*Developing Repeatable Models to Scale the Adoption of Agricultural Innovations*

Excerpt of Findings and Recommendations

May 2015

BAIN & COMPANY 

 ACUMEN  
CHANGING  
THE WAY  
THE WORLD  
TACKLES  
POVERTY



**What drives adoption?**

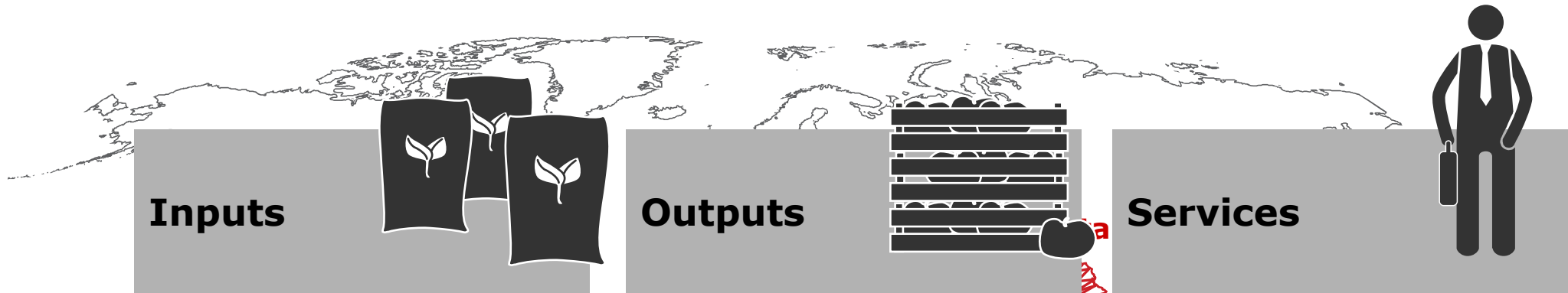
**What should organisations do?**

**How can they scale to reach more farmers?**

**What should other actors do?**

**So what  
did we  
aim to  
figure  
out**





**We focused on these organisations...**





# We spoke to the customers



# 4A's of adoption



# Advantage

What drives adoption?



More than **60% of farmers cited wealth increase** as the primary reason for adoption

**80% of farmers first trialled a product or service** on a portion of their land (typically <50%) to directly observe the advantage

Wealth  
increase

Risk  
mitigation

Better/  
timely  
service

Access to  
purchasers

Reduced  
water  
usage

Provided  
training



# Awareness

>65% of **early adopters** heard about a product or service **from a company official**

This drops to 28% for **late adopters**, most of whom get the information **from friends and relatives**

Importance of **technical knowledge**  
( 'how to use' )

**Leverage promoters**

# Awareness



<b>FACTOR</b>	<b>MORE LIKELY TO SUCCEED</b>	<b>LESS LIKELY TO SUCCEED</b>
Asset to be financed	Productive	Non-productive
Land Ownership (as proof of residence)	Owned	Not Owned
Attitude towards agriculture	Business opportunity	Subsistence
Willingness to work in groups	High	Low
Commitment to weekly meeting attendance	High	Low
Ability to save 15% of loan amount	Yes	No

**Juhudi Kilimo targeted farmers likely to succeed so they would become early adopters**





**Low absolute price** is crucial

Need to be available at that price **when farmers have money** in their pockets

**Financing is often required** given cyclical cash flows

**Affordability & financing**

# Affordability

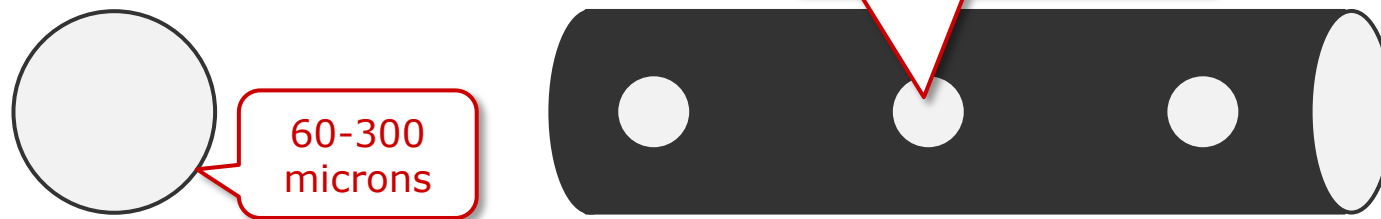
It's cheaper...



## Traditional System



## GEWP's KB Drip



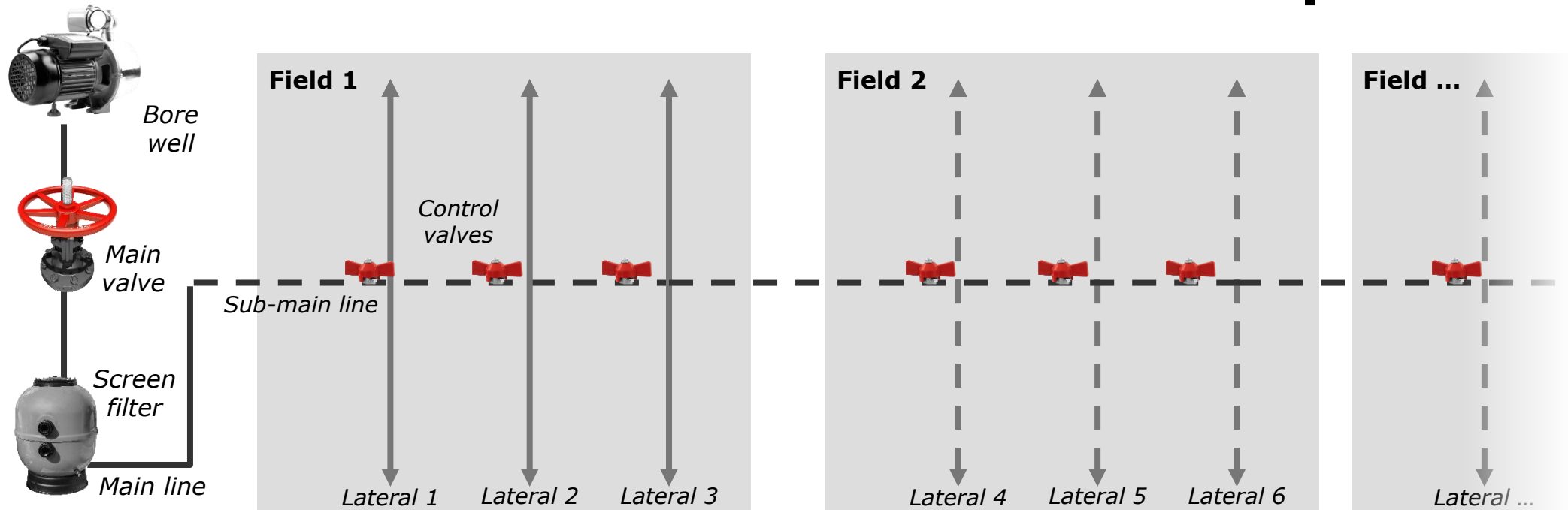
**GEWP designed for a low absolute price and easy incremental purchase**

# Affordability

It's **cheaper...**  
...and more **flexible**

## Phase 1: initial installation

## Phase 2: incremental expansion



**GEWP designed for a low absolute price and easy incremental purchase**



Importance of 'last mile access' depends on **farmers' purchasing habits** and **transport constraints**

**Timing is critical** – product must be available when needed based on crop or livestock cycle

**Address match the need**





**Access**

**A range of distribution formats can reach smallholder farmers**

# Achieving sustainable scale is hard



Of **100 pioneer firms** focused on selling to or buying from smallholder farmers in South Asia and sub-Saharan Africa, we found **<5%** with more than **250,000 customers or 25,000 suppliers** in a single year

Y1      Y2      Y3      Y4      Y5      Y6      Y7      Y8      Y9      Y10

—Years from company's founding 



# Repeatable models are key to achieving 'good scale'

**Map to the customer**  
**Design systems**  
**Scaleables**

