Growing Prosperity

Developing Repeatable Models to Scale the Adoption of Agricultural Innovations

Excerpt of Findings and Recommendations

May 2015
What drives adoption?

What should organisations do?

How can they scale to reach more farmers?

What should other actors do?
We focused on these organisations...
We spoke to the customers
4A’s of adoption

Access

Affordability

Awareness

Advantage
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
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

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

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

Traditional System

GEWP’s KB Drip

$700-800 per acre

$80-120 per acre

GEWP designed for a low absolute price and easy incremental purchase
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.
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.
Repeatable models are key to achieving ‘good scale’