IDE ZAMBIA: CO-DESIGN ZAMBIA FBA PROGRAM
KEY ELEMENTS FROM THE FARMER’S PERSPECTIVE
ABOUT THE LAB

inCompass Human-Centered Innovation Lab is a social innovation lab as well as a non-profit HCD (Human-Centered Design) consulting group within iDE. inCompass brings together a multi-disciplinary team of HCD practitioners from the fields of Service Design, Marketing Strategy, Industrial Design, Mechanical Engineering, Business Strategy, and Research Design -- the team has a combined 40+ years of professional experience in applying Human-Centered Design to designing solutions in a range of topic areas around the globe. inCompass provides HCD consultative services to NGO's, grant-makers, social enterprises, corporations, and aid agencies designing for the BoP in the areas of Water, Sanitation, Hygiene, Water Access, Schools, Rural Electrification, Irrigation, Agriculture, and Alternative Energy.

inCompass' lab and team is based in the developing world -- in Cambodia -- to remain close to the BoP user context. inCompass has been engaged in projects in Cambodia, Vietnam, Bangladesh, Nepal, Laos, and Ethiopia to date.

ABOUT THE COVER

The cover represents the degree markings of a traditional compass. At inCompass we use human-centered insight as our compass towards sustainable innovation. The degree markings seen here are symbols of our approach, methodology and process which diverge and converge along each phase -- guided by deep user understanding, desires and needs.

At inCompass our approach to social innovation always begins with people.
INTRODUCTION
- Project Goals and Scope
- Research Target

OUR APPROACH
- Our Methodology | Human-Centered Design

OVERALL LEARNINGS ABOUT SMALLHOLDER FARMERS’ NEEDS IN ZAMBIA

FBA PROGRAM: FROM A FARMER’S PERSPECTIVE
- Who is the FBA?

SERVICES FROM THE FBA
- Notifications and coordination
- Trainings
- Access to inputs
- Links to credit
- Market access
- Other services

RECOMMENDATIONS AND OPPORTUNITIES
- Overall recommendations
- Specific recommendations and opportunities sorted by services
- The Ideal Zambian FBA
- Other opportunities: Water Services

ANNEX
USEFUL TERMINOLOGY

Farm Business Advisor (FBA) Model:
A micro-franchise model for delivering high-quality agricultural inputs and technical advice to poor farmers through private Farm Business Advisors (FBAs). Farm Business Advisors are independent micro-entrepreneurs trained by iDE.

Inputs: machinery, seeds, feed stuff, fertilizer and buildings

Input Supplier: A supplier of inputs to farmers
Project Goal:

Understand Zambian farmers’ needs and motivations so as to inform the design of a successful Zambia FBA program that will respond to their client needs, desires and expectations. Provide a foundation of knowledge that informs and inspires iDE Zambia’s FBA program and Zambia FBA profile.

Specific Research Objectives:

Understand farmers’ needs, desires, aspirations and motivations for the potential use of FBA services/products.

Identify potential triggers, drivers, accelerators, and barriers/constraints for farmers adopting Zambia FBA services.

Identify which FBA’s services could be more desirable for Zambian farmers.

Develop simple ideas (recommendations) to design the Zambia FBA program based on farmers’ needs and motivations.
RESEARCH TARGET

Main Target:

Small Holder Business Minded Farmer
- Growing field crops and at least one more garden crop.
- Users and Non Users of FBA Services (Mobile FBA, stockist, with Agroshop).
- Under the area of Successful and Unsuccessful FBAs.

Other Stakeholders:

FBA
Input Suppliers
RESEARCH TARGET

Expert Interviews:

Mr. Festus Hanankuni

Field Visit: 6 days of fieldwork | 2 Provinces | 24 Interviews

South Province | May 5-7
Districts: Kaumba, Pemba, Chikuni Area
Interviewees: 12
- Farmers: 10
- FBA: 1
- Input supplier: 1

Central Province | May 8-11
Districts: Chibombo, Kabwe
Interviewees: 12
- Farmers: 10
- FBA: 1
- Input supplier: 1
RESEARCH TARGET
Places We Visited

South Province, May 5-7, 2015
Central Province, May 8-11, 2015
Farmers in Central Province currently not using iDE FBA Services.
OUR APPROACH
The inCompass Human Centered Design Approach: Analysis and Synthesis

Miriam and Emilie working on the analysis of the information, May 2015
OUR METHODOLOGY | HUMAN-CENTERED DESIGN
What Is The BIG DEAL About HCD?

Leading innovation methodology to create solutions that are desirable, viable and feasible. Design solutions for both existing markets and new markets. Design new solutions or re-design existing solutions. Solutions can be products, services, systems, technologies and programs. Solutions are holistic: supply-chain, marketing, product, price and service.
OUR METHODOLOGY | HUMAN-CENTERED DESIGN
The HCD Process Has 3 Main Stages

HCD uses a flexible process. We expand as we explore and generate possibilities. We narrow as we evaluate and select among the best ideas.
OVERALL LEARNINGS ABOUT SMALLHOLDER FARMER’S NEEDS IN ZAMBIA
Organising the schedule with the FBA and the team.
HOW FARMERS SEE THEMSELVES?

Smallholder Farmers perceive themselves as unable to upgrade to becoming Commercial Farmers.

Farmers needs vary according to different levels of technology adoption and market access, even within the Smallholder group.
CROSS-CATEGORY THEMES FOR FARMER NEEDS

WHO IS WHO?

MATCHING

TIMING

INDEPENDENCE
WHO IS WHO?
Multiple Relationships with Different Stakeholders Contributes to a Complex World Where Roles and Tasks Are Not Clearly Identified

In the farmer’s world, there are many actors who interact with the farmers at different levels and with different interests.

The role, background and knowledge of each of those actors is not clearly defined or specially meaningful to the farmer.

The names of the roles themselves change over time (even without a perceived change in the activity) and one person can hold, or have held multiple roles over time.

e.g. solar lamp agents, government employees, contact farmers, inCompass team, etc.
FARMERS’ SOCIAL ENVIRONMENT AND RELATIONS ARE COMPLEX AND CONTINUOUSLY EVOLVING

Farmers See Many Helpful People Around Them

“**He is an FBA**”
- Knowledge
- Link to credit
- Getting inputs, equipment
- Connections

**“My neighbour who sells seeds”**
Successful farmer

Teacher from NGO

MRI agent

Agricultural person

Farmer with many connections

**What IDE Would Like The Farmer to See** ≠ **What The Farmer Sees**
MATCHING
Farmers’ Needs and Desires are Specific and Vary: “One Size Does Not Fit All” (1/2)

Farmers feel their needs and requirements are often personal and specific to their household.

Farmers feel that the solutions that are available to them do not necessarily match their problem:
- e.g. Loans for pumps to farmers who need tanks; one farmer growing in three garden plots with different input requirements for each, etc.

Farmers use alternative solutions in order to overcome “matching” problems. Farmers are not aware of some of the consequences (often negative) of using alternative “solutions”.
- e.g. Using fertiliser for maize in the garden where they grow tomatoes because they cannot find garden fertiliser; investing in a borehole* when they could get water from a well if it was done differently, etc.

*Borehole – is a narrow shaft bored in the ground – for the extraction of water.
As farmers evolve, their requirements become more sophisticated, specific and difficult to satisfy.

e.g. Farmers cannot find loans for larger amounts to acquire big transport equipment.

It is easier to access services and products that are demanded by a large amount of farmers.

**It is difficult for the farmer to do something different than other farmers** because accessing the services and products that they require is impossible if the farmer is the only one in the village who needs it/is interested on it.

e.g. seeing an opportunity and wanting to invest, but having to wait for four other farmers to “apply” for it:

“Rent-to-Own will not bring it here if it is only me who wants it, it is too much effort for them.”

There are a lack of products/services for the most innovative-risk adverse farmers.
TIMING
Time When Things Need to be Purchased, Applied or Known is Constrained. Failing to Meet This Has Negative Consequences for the Farmers (1/2)

Farmers believe that success is related to being able to perform each task at the right time.

This time ‘for action’ is limited (sometimes even very short) and overpassing the time will incur in negative effects to their produce.

Farmers are “afraid” of “being late.”
- e.g. applying fertiliser after crops have reached a certain high; not getting water from rain at the specific time; harvesting after everyone has already gone to the market and not being able to sell, etc.
On top of the everyday cash that farmers need for small daily purchases, they identify relevant moments when a **higher capital** expenditure is needed.

**Acquisition of inputs (seeds, fertiliser) to “start” the process of farming is unavoidable**, and needs to be done before the right time for growing begins.

- Some farmers will use income generated by harvest to purchase inputs upon receipt of funds and store them. This minimises the risk of not having the financing and inputs later.
- Some farmers will buy one by one the products right before they are going to use them to allow for having cash on hand instead of “blocking the money.”

Farmers **need to be able to find and access inputs at a particular time**, despite their economical situation.

  e.g. Needing to buy inputs before getting paid from harvest.
INDEPENDENCE
The Desire to Feel in Control of Their Own Life and Business, Minimizing the Dependence on External Factors.

Farmers want to be autonomous. They do not want to depend on external factors (rain, insects, etc.) and people (suppliers, trainers, etc.)

Farmers do not want to be treated as a children, someone with no voice.

Farmers feel like they cannot achieve many things when they are on their own.
  e.g. Rent-to-Own does not bring equipment for less than 5 people

“One farmer is insignificant. He is not profitable.” –Input Supplier

Farmers feel that to “produce anything” they need an input supplier.

Farmers feel that they do not have the power to contact buyer companies.

Farmers feel they have no control over setting up the prices.

“We feel exploited.”
“We are vulnerable in the market.”
“We have been cheated by people masquerading as buyers from Lusaka.”
“We have been lied by the government.”
“Nothing is easy in the farm.”
FBA PROGRAM: FROM A FARMER’S PERSPECTIVE
GETTING THE FBA PROGRAM TO THE FARMER
Exploring Areas for Refinement

- Agricultural People
- Market Agents
- Input Suppliers
- Other Farmers
- Coordinator
- Team Leader
- Field Officer
WHO IS THE FBA?
FARMERS DO NOT KNOW ABOUT THE EXISTENCE OF FBAs (1/4)

How IDE identifies an FBA

- Knows some people
- Repairs tractors
- Has a shop
- Neighbour
- Sells solar lamps
- Farmer
- Call him for advice
- Can get me a loan
- Organises trainings
FARMERS DO NOT KNOW ABOUT THE EXISTENCE OF FBAs (2/4)

- Knows some people
- Repairs tractors
- Has a shop
- Neighbor
- Sells solar lamps
- Can get me a loan
- Organises trainings
- Farmer
- Call him for advice

How Farmers identifies FBA
FARMERS DO NOT KNOW ABOUT THE EXISTENCE OF FBAs (3/4)
FARMERS DO NOT KNOW ABOUT THE EXISTENCE OF FBAs (4/4)

Farmers Do Not Have a Clear Picture of Who is an FBA, The Role of FBA, And How Can S/He Has An Impact on Their Farm Development And Improvement

- How IDE identifies an FBA
- How farmer identifies FBA
- Where farmers think FBAs receive their income from
THE MULTIPLE ROLES OF “CRISTOPH*”
How Farmers See IDE’s Current FBAs

- FBA is not seen as a job or a title, and even those using participants’ services are often unaware of the existence of an FBA program.
- FBA’s are called by their names.
- FBA’s can hold multiple titles related to current and past associations with several organisations.
- Farmers see the FBA as a contact farmer for multiple organisations.
- Farmers see the FBA as an agent for input companies.
- Farmers identify FBA as successful farmers.
- Farmers are not certain about the knowledge of the FBA – where it comes from, or if s/he has any at all.
- Farmers see the FBA as a hub (they see him/her interacting with multiple actors).
- Farmers think that the FBA is often the first to get information about new things.

*Cristoph is a generic name used to represent a current iDE FBA.
THE FBA IS A VOLUNTEER
Why Farmers Think FBAs Do What They Do

- Farmers think that FBA is a helpful volunteer farmer because s/he is a good person.
- Farmers think FBA does not mind helping other farmers, because s/he enjoys volunteer work.
- Farmers never question themselves about whether the FBA is being paid or compensated for helping them.
- In some cases, farmers believe that FBAs can be paid by the government, NGO’s, or other similar groups.
- Farmers think that FBA benefits from his/her interactions by getting access to products, information and connections.
Farmers believe they only pay the FBA for services.
  e.g. Transport, bicycle repair, spraying/weeding, water access, etc.

Farmers do not see “advice, linkage to credit, training coordination or notifications” as services. They see those activities as interactions, and they do not think that FBA is getting any money from them.

Farmers are not aware of the FBA getting commissions from selling products or linking them to credit services.

When Farmers pay for items, they think the amount they pay is only the price of the item.
  e.g. Seeds, chemicals, fertilizer, other goods, etc.
FARMERS DO NOT CONSIDER IF THE FBA IS PAID OR NOT

Farmers do not care how the FBA is paid, as long as:

- “I am not paying him myself,” for anything other than a specific service. i.e. labour or skill provided by the FBA e.g. spraying herbicide and digging wells
- “He is not getting part of an income/benefit that could be mine.”
SERVICES FROM THE FBA:

- NOTIFICATIONS AND COORDINATION
- TRAININGS
- ACCESS TO INPUTS
- LINKS TO CREDIT
- MARKET ACCESS
- OTHER SERVICES
SERVICES FROM THE FBA:
NOTIFICATIONS AND COORDINATION
COORDINATING, NOTIFYING AND FACILITATING GROUP GATHERINGS IS ONE OF THE MOST VISIBLE ACTIVITIES THAT DIFFERENTIATES THE FBA FROM OTHER FARMERS.

“Odita is the one who calls us to tell us about meetings.”
FBA IS MANAGING THE COMMUNITY EVENTS

COORDINATION
Managing the calendar of the community events organised by different actors

NOTIFICATION
Posters
Phone calls
Visiting farmers door-to-door

FACILITATION
Making sure people go to the meetings (e.g. sometimes even booking transport)
Introduce participants

Government people
NGOs (iDE & Others)
Private input companies, MFI
...
FARMERS ARE INVITED TO GATHERINGS THEY KNOW LITTLE ABOUT (1/2)

- Current notifications are mainly based on communicating the **place and the date** of the gathering.

- While sometimes information about content is provided, farmers do **not feel like they have a clear agenda** for what will be taught.

- **Terminology is not clear** in describing different group gatherings (meetings, trainings, demos, field days, etc.).

- **Field days are perceived as a more clear** and differentiated kind of gathering, yet it is difficult to identify them as meetings, trainings, demos or the like.
Farmers are invited to gatherings they know little about (2/2)

- Farmers don’t know what to **expect from the gatherings**:  
  - e.g. objective – what kind of gathering (informative meeting, training, demonstration, sales, etc.)  
  - e.g. content – what they will learn (which crop, method, etc.)

- Farmers feel they **cannot prepare themselves in advance** to optimise the benefits of attending the gatherings:  
  - e.g. input suppliers to bring products for selling  
  - e.g. new learning to be recorded, etc.
GATHERINGS ARE ORGANIZED WITHOUT FARMER INPUT

- Farmers are invited time and again to gatherings organised by various organizations (NGOs, Government, input suppliers, etc.).

- Farmers feel like they have no control over the topics that are selected for the gatherings.
  - e.g. topics are created by someone else, without the farmer’s input
  - e.g. topics for particular gatherings are selected by someone else, without the farmer’s input

- Farmers feel like a passive audience for ‘everyone else’s show,’ where the ones who are organising the gathering are the ones creating and selecting the topic - despite what else the farmer may want or need.
SERVICES FROM THE FBA:
TRAININGS
FARMERS FEEL LIKE A PASSIVE AUDIENCE TO TRAININGS THAT ARE CONDUCTED IN THEIR AREA BY MULTIPLE ACTORS. THOSE TRAININGS ARE ISOLATED EVENTS, SEEMINGLY RANDOMLY ORGANISED AND PRESENTED TO THE FARMER WITHOUT HIS INPUT.

“You cannot be satisfied when you go to a training and it is about something you already know. You can always learn anyway, but you cannot be happy.”
FARMERS BELIEVE THAT LEARNING NEVER STOPS

- Practical information is not enough. To acquire learning, ‘practical + knowledge’ is best.
- Farmers are interested in the business perspective of what they are learning.
- Farmers want to know how each element of training will impact their income.
- In big groups, it is easier for farmers to miss important details – leading to mistakes and unsuccessful attempts.
- It is easier for farmers to understand the information when they can compare it to their own current practices.
- Farmers need to learn things that are applicable to their differing plots of land – therefore, sometimes one farmer may need different solutions for similar problems. e.g. one farmer having plots with different water sources
- Farmers are motivated to learn, even when only improving on what they already know. e.g. attending trainings about tomatoes when already growing tomatoes
- Farmers are motivated by encouragement from others.
FBA IS NOT PERCEIVED AS AN EXPERT

- Farmers receive “demonstrations, teachings, explanations, learning, information and trainings” from multiple sources that they perceive as “agricultural people, teachers, trainers, inputs suppliers and experts.”

- FBA is perceived as organising and facilitating trainings.

- FBA has information but not knowledge.

- FBA is able to explain and demonstrate, but is not seen as an expert.

- The role of the FBA is unclear in the learning environment.
FOR FARMERS, “EXPERT” MEANS A COMBINATION OF FACTORS

- Is a successful farmer
- Has experience
- Has technical knowledge
- Has the technical language
- Is a specialist (with a corresponding name or title)
- Is connected to other experts
- Can solve problems
FBA IS JUST A SUCCESSFUL FARMER WITH EXPERIENCE

- V Is a successful farmer
- V Has experience
- X Has technical knowledge
- X Has the technical language
- X Is a specialist (with a corresponding name or title)
- ? Is connected to other experts
- ? Can solve problems
ADVICE IS FREE

- Farmers get **free advice from everyone**.*
  - Friends, neighbours, relatives and other acquaintances
  - Shop vendors, input suppliers
  - NGOs
  - Agricultural people paid by the Government

- The challenge for the farmer is not to get *an answer* but to be able to **recognise the right answer** among the options.

*Recently, people are paying (a shop vendor) 1 ZMK or 10 ZMK for advice:
  - Most of the time, advice will lead to a purchase, in which case the advice is free.
  - When advice does not lead to further purchase, there is a small cost.
SERVICES FROM THE FBA:
ACCESS TO INPUTS
FARMERS PREFER TO PURCHASE THEIR INPUTS FROM THE CLOSEST SOURCE THAT MEETS THEIR COMPLEX NEEDS.

“It takes me one hour to bike to town. If he has what I need, I buy from him.”
WHERE IS THE FBA?
A Map to Identify Different Scenarios

Units refer to km. and represent different distances between relevant actors and places.
SEVEN FACTORS INFLUENCING WHERE FARMERS BUY INPUTS

Relationship = Level of personal interaction beyond professional in the relationship
Experience = Level of practical experience in farming
Knowledge = Level of expert knowledge that the Farmer sees in the seller
Availability = Level of availability of the desire item
Variety = Variety of products
Distance = Distance from home or field (includes transport cost implications)
Price = Price - variable depending on the seller strategy (margin and/or credit)

LEGENDS

- ‘Mobile’ FBA
- FBA with stock
- FBA with Agroshop
- Shops in town

- Very good
- Good
- Does not know
- Bad
- Fluctuates
### SEVEN FACTORS INFLUENCING WHERE FARMERS BUY INPUTS

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FBA’S WEAKEST POINTS: LACK OF KNOWLEDGE, AVAILABILITY AND VARIETY OF INPUTS

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REASONS WHY FARMERS DO NOT BUY FROM THE FBA

- FBA IS NOT AN ADVISOR: Farmers do not believe FBA can provide advice on what they need for their farms because s/he is not perceived as an expert.

- FBA IS NOT A SUPPLIER: Farmers do not have awareness of what the FBA has (input supply offer) because they think s/he is not a vendor. FBA does not have the particular thing the farmer knows he needs.

- FBA IS NOT A PROBLEM SOLVER: Farmers do not see the FBA as someone who can help them finding specific things that are difficult to find.
FBA vs. AGROSHOPS IN TOWN

FBA: Currently, the Farmer Most Often Sees the FBA as a Middleman.

- Strengths for the FBA are distance, practical experience as a farmer and, when it is offered, lower prices due to transport or credit services.
- Weaknesses for the FBA fall in the areas of knowledge, availability and variety. *Each of these weaknesses makes less impact when the FBA has an Agroshop.

AGROSHOPS IN TOWN: Currently the Best Option.

- The strongest across all seven areas in most of the cases when a Farmer is buying inputs.
- Weaknesses are that sometimes, and especially in small towns (e.g. John), they do not stock enough quantity. Farmers also have difficulties, at times, finding the things that they want – especially if it is very specific.
ACCELERATORS TO BUY FROM THE FBA

- Payment on credit motivates farmer to buy from FBA
  - E.g. The farmer lacking cash is not able to buy from the shop so uses the payment on credit from the FBA
- Proximity
FARMERS ARE NOT AWARE OF "FBA AREAS". THUS, THEY CAN HAVE A BUSINESS RELATIONSHIP WITH MORE THAN ONE FBA WITHOUT REALISING THE FBA IS 'COMPETING' FOR HIM AS A CLIENT.
SERVICES FROM THE FBA:
LINKING TO CREDIT
FARMERS ARE OPEN TO BORROWING MONEY.

“When I have cash I go to town, when I don’t I buy from Odita. He lets me pay on credit.”
BORROWING MONEY IS A COMMON PRACTICE

Three key **moments** when farmers need money:

- Regular cash-flow: get money into the system to keep making money.
- Reactive to emergencies: unexpected need for urgent money.
- Next investment: desire to improve and increase income.

Three different **attitudes towards borrowing money**:

- Responsible risk taker: “will do anything to pay back”.
- Responsible conservative: “avoid borrowing because not sure that can pay back”.
- Unconcerned borrower: “paying back loans is not a priority”.

FARMERS MOST OFTEN BORROW MONEY AS CREDIT OR LOANS

Payment on credit (as things given to the Farmer to be paid for over time) is the most common way farmers borrow money:
- Payment on credit can have interest or not.
- Payment on credit is often limited to specific products and a limited amount of money.
- Benefit of paying on credit: Immediate access and usage of the item from the time of down payment.

Loans (as cash given to the farmer to be repaid over time) are sometimes given by Market Agents or Buyers:
- Lenders give loans in cash without interest.
- Lenders give loans in cash which are often meant for specific products like inputs.
- Benefit of loans from Market Agents and Buyers: Farmer knows that he has a final buyer.

In either case:
- Borrowing without interest is perceived as someone “helping.”
- Borrowing with interest is perceived as someone “making money off my sweat.”
CURRENT BARRIERS TO BORROWING MONEY

Unawareness.
- Of the current services/linkages.
- Of alternative lenders and/or forms of money finding.

Presence of interest.
- Increases the final price.
- Reduces independence (feeling of working for someone else).
- Reduces the income (feeling of sharing part of the profit with someone else).
- Perceived as money going out of the system, not reinvested.

Repayment concerns.
- e.g. unexpected life events (calamities, court fees).

Product specificity.
- e.g. there are no loans for tanks.

Limited amounts of money.
- e.g. K2,000 loan cannot buy a tractor.

Lack of initial capital for down payment.
As a smallholder farm improves and its needs become more specific:

- Customized things are harder to find.
- Expensive things are harder to afford.

It is challenging for farms to grow and evolve.
FARMER KNOWLEDGE OF FBA “LINKING” SERVICES IS LIMITED

Farmers have little or incomplete knowledge of the FBA’s financial services linking to MF.

If farmers know, they:

- Only know about the products and schemes the FBA has promoted.
- See the FBA only as a contact-person who “makes the list” for lenders.
- Don’t see the FBA as knowledgeable about (other) ways to access capital.
SERVICES FROM THE FBA:
MARKET ACCESS
MARKETING IS ONE OF THE BIGGEST AREAS OF CHALLENGES FOR THE FARMERS - AND ONE OF THE SMALLEST AREAS OF SERVICE OFFERINGS FROM THE FBA.

“I would produce more if I had a place to sell it.”
NOT ALL FARMERS HAVE THE SAME NEEDS: MARKET ACCESS AND PRODUCTION (1/2)

Farmers having excess produce for which they do not know how or where to sell to market. They have **problems finding markets** for their outputs.

Farmers knowing about more clients and markets for whom they cannot produce enough supply. They have **problems producing** as much as they could potentially sell.
NOT ALL FARMERS HAVE THE SAME NEEDS: MARKET ACCESS AND PRODUCTION (1/2)

- Farmers need to find the way to **manage their excess or damaged produce**.

- Some Farmers need to **increase their production** to meet demand: they feel that they could sell more (current and new customers) if they were able to produce more.

- Farmers need to **feel confident** they will sell everything they grow.
  - e.g. increase production because of a prearranged agreement with a buyer; taking the advice of a buyer on what to plant, etc.
FARMERS EXPOSURE TO POTENTIAL BUYERS IS LIMITED BY MARKET DYNAMICS

ON THE MARKET

Buyers

Market Agents

Buyer

Buyer

Buyer

ON OTHER FARMERS’ FARM

Buyer
FARMERS EXPOSURE TO POTENTIAL BUYERS IS LIMITED BY MARKET DYNAMICS

ON THE MARKET

Market Agents

Buyers

Buyer

Buyer

ON OTHER FARMERS FARM

Farmer visibility of the final buyer is minimal because farmers interactions at the market are mediated by Market Agents.

Farmer knowledge about his/her own clients and about other potential clients is shrunk.

Farmers interaction with “big clients” coming from other provinces happens at the farm.

Farmers have little knowledge and visibility of what is happening in other farms.
FARMERS DON’T CURRENTLY SEE HOW THE FBA CAN HELP THEM WITH MARKETING

- Farmers believe that the FBA does not have time to find new markets because he is busy with his own farm.

- Farmers believe that the FBA has a limited physical area of action and knowledge:
  - The FBA does not know more than them, because they are all in the same geographic area.
  - The FBA has limited access to transport (he walks or goes by bicycle) and so he cannot know more about what is outside their geographical area.

- Farmers believe the FBA’s power of influence on potential buyers is limited.
  - e.g. he has no input in making the lists of farmers that supply to the school.

- Farmers are not aware of how the FBA can use his network to get information and contacts for other markets.
RECOMMENDATIONS AND OPPORTUNITIES
STRATEGIC ASSUMPTIONS
How to Help Smallholder Farmers in Zambia

iDE’s strategy is:

By equipping the FBA with services that meet rural farmers’ needs (knowledge, access to inputs, links to loans, etc.), they will enable Farmers to improve their livelihoods.

In order for iDE (via FBAs) to deliver the services that help rural farmers to improve, FBAs need to see the value in the FBA program – in other words, they need to make money.

Therefore, the following recommendations are structured such that farmers not only find ways to meet their needs, but they also see that an attractive option is to do so with services from the FBA.
OVERALL RECOMMENDATIONS
TO ENCOURAGE GROWTH, IT IS IMPORTANT FOR FARMERS TO BE ABLE TO SEE DIFFERENT STAGES IN THEIR JOURNEYS

- Define and communicate different levels within the Smallholder Farmer Profile, to make explicit to the farmers that they have different steps of growth in their career. Success can be achieved gradually within their journey reaching different milestones.

- Create sub targets (e.g. Smallholder Plus, Smallholder Plus Plus, etc.) that farmers and FBA can use to understand the Farmers current situation as well as the potential development and the specific needs related to his/her stage.

- Facilitate the FBA understanding of sub targets. And enable the FBAs to identify and group the farmers according to the different levels within the Smallholder Farmer Profile. Allow him/her to customize and adapt his/her services, inputs and communications according to the target group.
TO ENCOURAGE GROWTH, IT IS IMPORTANT FOR FARMERS TO BE ABLE TO SEE DIFFERENT STAGES IN THEIR JOURNEYS

NOW

Peasants  Smallholder  Commercial

RECOMMENDED

Peasants  Smallholder “Beginner”  Smallholder  Smallholder +  Smallholder ++  Commercial

Possible  Possible  Possible
FBA NEEDS TO ADAPT HIS/HER COMMUNICATION STYLE AND OFFER TO DIFFERENT ATTITUDE PROFILES WITHIN THE SMALLHOLDER FARMER CATEGORY

<table>
<thead>
<tr>
<th>Profile 1: The Passive Reactive</th>
<th>Profile 2: “Seeing opportunity, Not taking opportunity”</th>
<th>Profile 3: “Seeing opportunity, Copying opportunity from others”</th>
<th>Profile 4: “Seeking for new opportunities”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Needs <strong>to see that improvement</strong> is possible and that others nearby are achieving it.</td>
<td>Need of <strong>encouragement and facilities</strong> to decide to take the opportunities</td>
<td>Need of <strong>support while copying</strong> the success of the FBA and his clients</td>
<td>Need <strong>to connect and partner</strong> with FBA and FBA’s network for finding new opportunities for improvement</td>
</tr>
<tr>
<td>FBA should make sure that this Farmer is aware of what other Farmers are doing and about their success. Use a lot of real case examples of success (testimonials).</td>
<td>FBA should provide options and facilities to minimize risk perception of taking new opportunities showing ROI of each initiative.</td>
<td>FBA should facilitate knowledge that reinforce farmers practices, making sure that they copy the right solutions.</td>
<td>FBA should be a partner and an inspiration for further developments and ideas.</td>
</tr>
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</table>
FBA MUST EMPOWER THE FARMERS

FBA has to approach the farmer as an independent business owner, so that he feels empowered to make informed choices about his business and growth.

- Train the FBA to be open to farmers suggestions.
- Allow the FBA to customize trainings and offers according to the farmers’ needs.
- Train the FBA on how to let the farmer’s needs lead sales and service conversations.
- Provide the FBA with a tool that allows him/her to track farmer’s suggestions.
FBA AS A SMART PARTNER WHO CAN SOLVE PROBLEMS

- For the FBA program to succeed, it is not just about the services that the FBA delivers but how s/he delivers them to the Farmer.

- Farmers do not want to be treated like a passive audience and are open to “cooperate” with a partner that they perceive as an available SMART PROBLEM SOLVER.

- FBA should be perceived as A SMART PROBLEM SOLVER who is:
  
  an EXPERT
  who is CLOSE
  and who can FORESEE, FIND AND PROVIDE CUSTOMISED SOLUTIONS TO MY PROBLEMS (THINGS, MONEY AND KNOWLEDGE) ON TIME
SHIFT THE PERCEPTION OF THE FBA FROM A HELPFUL FARMER AND A MIDDLEMAN TO AN EXPERT FACILITATOR

However, farmers are not currently identifying the FBA as a SMART PROBLEM SOLVER.

X An EXPERT,
V who is CLOSE,
X and who is ABLE TO FORESEE, FIND and
X PROVIDE CUSTOMISED SOLUTIONS TO MY PROBLEMS
? ON TIME

In order for the Farmer to recognise the value and use the services of the FBA as designed by IDE, the FBA role should shift from a helpful farmer & Middleman to an Expert Facilitator

Helpful Farmer & Middleman

Expert Facilitator
RECRUITMENT CAN CONTRIBUTE TO IMPROVING THE PERCEPTION OF THE FBA

- When deciding who is better prepared to become an FBA, bear in mind to recruit someone who is already perceived as knowledgeable and someone to get advice from (and not only a middleman).

- Who is perceived as EXPERT in the community who is CLOSE and who can FORESEE, FIND AND PROVIDE CUSTOMISED SOLUTIONS TO the farmers ON TIME.
HOW TO REINFORCE THE IMAGE OF THE FBA AS AN EXPERT

✓ Is a successful farmer
✓ Has experience

✗ Has technical knowledge
✗ Has the technical language
✗ Is a specialist (with a corresponding name or title)

? Is connected to other experts
? Can solve problems

Provide the FBA with these attributes, and ensure that THE FARMERS KNOW ABOUT THEM.
CREATE A BRANDING STRATEGY TO FACILITATE FBA IDENTIFICATION

- Generate a strategy that enhances FBA visibility and helps farmers identifying FBAs and their services.

- Provide FBAs with branded outfits (T-Shirts, hats, etc.) and instruct FBAs to wear them during all the relevant interactions related to the job or even in other social acts.

- Provide with FBAs with branded collateral that the FBA can use in his/her interactions with farmers (folders, pens, leaflets, etc.).

- Provide visual branding that the FBA can put in his/her house/shop, making it visible the different services provided by the FBA (e.g. a flag, a certificate, etc.)
REINFORCE THE IMAGE OF THE FBA AS SOMEONE CONNECTED TO A LARGER NETWORK OF EXPERTS

- Promote and communicate that the FBA belongs to an expert network -- to reinforce the idea that even when s/he does not know the answer or solution to an specific challenge, s/he is still the right person to ask because s/he can find the answer through his/her network of experts (IDE members and other FBAs).

- Reinforce the idea that asking the FBA for advice is a way of avoiding mistakes and unsuccessful attempts consequence of asking “the wrong people” (people without the knowledge or without the possibility of contacting the experts.)
SPECIFIC RECOMMENDATIONS AND OPPORTUNITIES SORTED BY SERVICES
NOTIFICATIONS AND COORDINATION

NOTIFICATIONS:
- Let farmers make suggestions on the topics that they want to learn about.
- Let farmers make suggestions of when topics are going to be presented.
- Organise trainings according to farmers availability during the day/season.
- Provide with alternative dates to receive the same training or alternative options to access the information, for those who cannot attend.

COORDINATION:
- Beware of size of the group.
- Use existing facilities that convey the idea of knowledge and/or experience. e.g. schools on holiday breaks.
TRAININGS (1/2)

APPROACH:
- Make sure that even if the FBA is not the teacher, he is perceived as knowledgeable in the area of instruction.
- Consider the different stages within the Smallholder Farmer profile when creating groups for training.
- Design the trainings bearing in mind the three steps of successful learning:
  - Adoption
  - Practice
  - Perfection

CUSTOMISATION:
- Generate different trainings targeted to specific groups of farmers, regarding their level of previous knowledge, the sort of garden they have, and their stage within the Smallholder Farmer profile.
- Adapt communication and examples to the different profiles.
- Help farmers understand that different garden plots may have different needs.
- Utilise the current knowledge and experience of the farmer in comparison to the new knowledge.
- Acknowledge little success in the learning journey and encourage farmers throughout the whole process.
TRAININGS (2/2)

CURRICULUM:
- Generate a context for the different pieces of learning (a curriculum), so farmers can:
  - See the different pieces as part of a bigger curriculum with a purpose and structure (reinforcing the value of the knowledge).
  - Track his progress and identify the pieces that he is still missing.
  - Have a picture of the future learnings that s/he will get.
- Include a business perspective.
  e.g. a income “impact projection.”
- Consider how to integrate marketing into each of the modules of the curriculum.

FOLLOW-UP:
- Create a tool so that the FBA can track the progress of the farmer and follow-up with invitations to modules the farmer has missed.
- Facilitate small trials or samples during and/or after training.
- Include follow up sessions in the programming of the trainings.
- Include ways of reusing garden excess and outputs into livestock operations.
ACCESS TO INPUTS

- Facilitate ease of keeping stock by the FBA to improve input availability and variety for the farmer.

- In the short term, improve visibility of the FBA as a stockist. On the long term, it would be ideal if the FBA could have a shop because
  - The shop conveys “knowledgeable seller,” as well as delivering on availability and variety (at least as well as the other Agroshops in town).
  - The FBA with a shop can also manage the margin on what s/he sells in order to compete on price.

- Increase the portfolio related to livestock inputs.

- Promote FBA’s connections to a larger network of input suppliers, as to reinforce the idea that the FBA can find things.

- Consider these barriers for FBA stocking when implementing these recommendations:
  - Input supplier requires a deposit for leaving stock with the FBA.
  - Input supplier wants the FBA to have a secure place to keep the stock.
LINKS TO CREDIT

- Increase the portfolio of credit services in terms of items available and amount of money.

- Look for schemes that allow interest free loans, lower interests, or loans with incremental interests (that can be paid off earlier lowering the amount of total interest).

- Help farmers plan or prevent in their needs for cash flow (e.g. Financial planning for the year).

- Link farmers to loans from buyers.

- Consider the specific credit needs of the Smallholder Farmers taking into account in which stage of their journey they are. (Credit customisation)

- Improve financial literacy in general (among FBAs and farmers), so they can:
  - Plan their credit needs.
  - Track their expenses and incomes correctly.
  - Identify “when they are losing money.”
  - Minimise perceived risk of taking credit.
MARKET ACCESS (1/3)

- Train farmers on how to manage excess or damaged produce:
  - Find new buyers/markets.
  - Find alternative usages for damaged produce.

- Coordinate farmers to make sure production is covered all year long.

- Identify niche buyers.

- Give access to FBA to agro fairs and other places where they can increase their knowledge and network of potential buyers.

- Generate a network of FBA that can share market needs and exchange produce (across districts).
MARKET ACCESS (2/3)

- Explore opportunities for FBA to become a collector.
- Explore opportunities for FBA to facilitate prearranged contracts.
- Increase prearranged buyers.
- Increase visibility to and exposure of buyers and potential buyers.
- Facilitate FBA access to transport.
- Reduce Farmers dependence on Market Agents.
MARKET ACCESS (3/3)

Example on how a product can be used in multiple ways (and not only as a product that needs to be sold as it is)

How the farmer sees the tomato

Other potential usages for a tomato

- Wholesale product
- Retail product
- Damaged tomatoes, used for feeding livestock
- Ingredient for sauces
- Fertiliser for crops
THE IDEAL ZAMBIAN FBA
THE IDEAL ZAMBIAN FBA
From the Farmers Perspective (1/4)

- A couple (so there is always someone available even when they are busy with their own farm).
- A farmer who is already considered an expert in the village/community who has some agricultural knowledge (at least one in the couple). And who is known as someone who can solve problems.
- A farmer with a successful farm and garden.
- A farmer whose farm is visible to the community.
- A farmer whose farm is somehow aesthetically different (flowers and fruits trees are a sign of success).
- A farmer with a visual sign in their farm indicating that they are FBAs (e.g. a flag, a certificate, a sign.)
- A farmer with an agroshop on their farm.
- A farmer who can be flexible with payments on credit (without interest.)
THE IDEAL ZAMBIAN FBA
From the Farmers Perspective (2/4)

- A farmer who dresses in branded clothes which identify him/her as FBAs and uses customized merchandising.

- A farmer who gets accredited by receiving training in different topics (crops, pesticides, fertilizers, business, equipment’s, etc.), and those accreditations are visible.

- A farmer who has the knowledge, time and a positive attitude to give advice and empower the farmer treating him as a business partner.

- A farmer who is available when there is an emergency (quick response in case of pest).

- A farmer who can sell the products that the farmer needs after getting the advice (right then and there).

- A farmer who can find the products that the Farmer needs (if s/he does not have it) and bring it to the farmer’s farm on time.

- A farmer who can provide products related to the farm, even if not necessarily to agriculture (e.g. solar bulbs).
THE IDEAL ZAMBIAN FBA
From the Farmers Perspective (3/4)

- A farmer who is connected to other experts (teachers, agricultural people from NGOs, companies, government, etc.), and who can contact them to find out about any problem.

- A farmer who is connected to FBAs in other areas and who can contact them to find out about other markets.

- A farmer who is connected to buyers or to people who can get buyers (large amount buyers), who can communicate with large buyers (i.e. processors, supermarkets, schools, etc.).

- A farmer who can manage and coordinate supply to prearranged buyers.

- A farmer who can foresee and explain what the buyer needs in terms of crop and output quality and can help improving the output and meeting the clients demand.
THE IDEAL ZAMBIAN FBA
From the Farmers Perspective (4/4)

- A farmer who knows about different loan schemes and “ways of finding money”:
  - Can diagnose the Farmer need and suggest the best loan for him
  - Can help finding uncommon loans or credit options, even for only one farmer

- A farmer who can assess on business issues related to managing the farm (calculating profit, organizing money needs through the year, etc.).

- A farmer who can provide labor (be employed himself or providing labor) to: spraying, digging wells, transporting, raising the tanks, etc.

- A farmer who can assess and identify the best way to access water sources, the best practices for optimizing water sources and credit options in case they are needed.

- A farmer who is knowledgeable and provide information and products for livestock.

- A farmer who is always aware of the farmer specific needs (from each household), and provides customised services and products, as well as controls timing to make sure everything is done on time.
OTHER OPPORTUNITIES: WATER SERVICES
EVEN IF FARMERS CURRENTLY HAVE A WATER SOURCE, THE WAY THEY ACCESS AND MAKE THE BEST OF IT, IS STILL A CHALLENGE.

“When the walls from the well collapse, we have to dig a new one.”
A POTENTIAL CATEGORY FOR FBA SERVICES

Accessing The Water Source Is an Ongoing Challenge for Small Holder Farmers

Farmer needs:

• Identify the **best location** for water access.
• Identify the **best method** of accessing water (e.g. well, bore hole).
• Get **physical help** to dig the well (e.g. labor).
• Learn about **best practices** in well digging (e.g. rings).
• Have information about **bore hole providers and schemes**.

FBA does not include services related to advising and helping the farmers in better accessing their water source.
OPPORTUNITIES FOR WATER MANAGEMENT SERVICES

- “Water Audit” conducted by the FBA to advise Farmer on the best long-term solution for water access.
  - Identify the best source for the farm.
  - Identify the best method of accessing water (e.g. well, bore hole) and link Farmers to providers and different credit schemes

- Reduce the time spent on accessing and lifting water:
  - e.g. digging a well, waiting for a pump, multiple trips with buckets.

- Provide or link to physical help to dig the well (e.g. labor).

- Economise the effort of accessing and lifting water:
  - e.g. continuously digging the well deeper as it dries up, digging a new well after the previous one’s walls collapse, difficult labour with a deep well, etc.

- Minimise water waste:
  - e.g. overwatering gardens, multiple trips to get more water, etc.

- Minimise the effort of accessing water all year round:
  - e.g. extend the use of seasonal water.
THANK YOU!

THE INCOMPASS TEAM

NADIA CAMPOS
Research and Innovation Director
campos@ide-cambodia.org

MIRIAM PASTOR
Research Design Lead
mpastor@ide-cambodia.org

EMILIE HITCH
Designer
emilie@thinkersandmakers.com

ABIGAIL NYDAM
Business and Marketing Director
anydam@ide-cambodia.org

THE ZAMBIA TEAM

FESTUS HANANKUNI
IDE Zambia

MENDAI IMASIKU
IDE Zambia

DANIEL KANYEMBE
IDE Zambia
WHAT ARE THE PERFECT FBA SERVICES?
Farmer Wishlist

**Things he/she could do:**
- Help with marketing – i.e. use contacts to get new buyers/markets.
- Be trained to be available for advice.
- Be a “farm manager” filling up the gaps of what we don’t know.
- Deliver to doorstep or fields.
- Offer payment on credit without interest.
- Link to credit and other methods of finding money.
- Physical labour (e.g. digging wells, a helping hand, transport, raising the tank, etc.).
- Help to improve quality of the output.
- Help with disease management – finding solutions.

**Things he/she could find:**
- Inputs (fertilizer).
- Iron sheets for the roof.
- “Big things” that can’t be bought with cash (e.g. tractor, ripper, etc.).
- Solar bulbs.
- Baby animals.
- Motorbikes, bicycles.
- Irrigation: Sprinklers, treadle and/or motorized pumps.

Connection to network of experts can help fulfil needs not being filled, like things that are not easy to find -> make him a solution finder that utilises a credible network of experts.
FARMERS EXPRESS A DESIRE TO LEARN

How to:
• Block or dam the river
• Reduce labour and effort
• Grow citrus (and other new crops)
• Prevent and control diseases
• Improve quality of the output
• Increase quantity of the produce
• Sell their outputs
• Expand their markets
• Adapt to changes in climate

About:
• New/additional crops
• New varieties/high-value crops
• Drip irrigation
• Livestock
• Established places to sell
FARMERS PAY FOR THESE SERVICES

- Dig the well
- Put rings in the well
- Make the rings
- Build the tank
- Raise the tank
- Build fences
- Repair bicycle
- Repair machines
- Spraying
- Weeding
- Harvesting
- Transporting
- Some for advice
- Water (access to water)
THINGS FARMERS THINK THEY CAN’T GET ON LOANS

Solar pumps
Tanks
Motorbikes
Baby animals
Large tractors (large sums of money, i.e. loans over 2000 ZMK)