

How to advance sales networks by broadening their portfolio and digital technology



D2D Pro is a last-mile distribution project for impact durables, run by BoPInC., a Netherlands based non-for-profit that develops commercially sustainable products and services that improve quality of life for people living on low incomes in emerging markets. This case study covers how D2D Pro built a network of sales agents to sell solar lights in Nigeria.

WHAT IS THE D2D PRO BUSINESS MODEL?

D2D Pro was set up to create more sustainable livelihoods for retailers in Osun and Ogun state, Nigeria, while giving low income consumers affordable access to 'impact durables' – consumer goods that create positive impact. Starting with solar lights, D2D Pro set out to help local informal retailers to expand their product offering with higher margin products to help increase their incomes. D2D Pro worked with TRANSFORM to develop, test and improve their approach to building a sales network, with some of the key findings outlined here.



“We have found that the best incentive for our sales agents is to provide the opportunity for them to supplement their income. They know their customers better than we do, so we focus on providing high quality products and a wider supporting infrastructure including customer credit, mobile based payments and after-sale support.”

Abuchi Okaro, D2D Pro Project Manager at BoPInC.

THREE KEY STEPS TO A SUSTAINABLE ENTERPRISE

1 Finding effective sales agent networks:

It can be hard to identify people with the skills and demeanour to be an effective sales agent and to hire them to work for you, especially if your business is in a place you aren't very familiar with. D2D Pro discovered that it's often less about hard skills like numeracy, and more about agents having the commitment and drive to make a success of their business and serve their community. You can set criteria, but you can't always identify the people who satisfy them. D2D Pro's solution was to work with a local partner, Innovectives, a Nigerian financial technology firm, that already has a network of thousands of agents spread across the country, who took it as a unique business opportunity to enable their agents to sell solar lights. D2D Pro were to identify suitable vendors via their database, who were happy to become distributors for the solar lights as it gave them increased revenue.

2 Helping agents and consumers access finance:

Even fairly low-cost goods can be prohibitively expensive for consumers who earn their living from day-to-day, as is the case for many consumers in emerging markets. D2D Pro worked with solar power business Greenlight planet, Innovectives and digital payment provider Angaza to develop a version of the existing pay-as-you-go (PAYG) microfinance system that integrated mobile money. This allowed users to pay for the lights over three to five months, making them more affordable, with the payments facilitated by mobile phone to avoid the need for costly visits from agents to the customers to collect their payments.

3 Carefully consider cashflow solutions:

Financing stock for sales agents can present a challenge for a business when consumers spread their payments for this stock over several months. Initially, D2D Pro took this credit risk themselves, but this created cash flow issues and was unsustainable. The solution was to work with Innovectives, who loan the money for the product to sales agents when they make a sale, then pay D2D Pro, taking on the risk themselves, and gaining an opportunity to learn more about providing microfinance in this market.

D2D Pro in numbers:

Number of sales agents:

60 
from Innovectives

Over
700
 lamps sold
and installed
so far

Over

6
cookstoves sold to date



Video Case Study: D2D Pro sales agents bring light to Nigeria (and their business)

THREE KEY LEARNINGS



Partnerships can help you to drive efficiencies

Working in partnership with other organisations meant D2D Pro could focus on what they were good at and allow others to play to their own strengths. Rather than recruiting a network of sales agents for example, D2D Pro partnered with Innovectives to distribute goods through their network of vendors, thereby generating more business for Innovectives by boosting the number of transactions of their sales agents. Innovectives were also helpful in supplying consumer credit to overcome cashflow issues and partnering with Angaza, a digital payment provider, helped to create a bespoke solution for payment collection, which D2D Pro couldn't do alone.

"I definitely don't regret working with D2D Pro, I learned how to approach strangers and make sales. Next, I want to sell five solar lamps by exhibiting at the market and my loan cooperative. I will also place a Solar Lights & Cook stoves poster outside my shop to attract more customers."

Mrs Abioye, sales agent, D2D Pro



Don't underestimate the value of after sales support

D2D Pro employ two local managers to provide customers support with installation and aftercare for the solar lights. This gives customers peace of mind that should something go wrong with their purchase, support will be on hand and their investment won't be wasted. These managers have prior experience with solar lights and are committed to sort out customers' problems as needed, from installing the lights to providing maintenance support and helping with any problems with payments as needed. These managers are also great at sharing best practice across the network, such as sales and marketing tips, which means that all the agents can access advice to increase their own sales and income.



Provide agents training and stock at the outset

D2D Pro developed a hands-on training session so the sales agents could get to know and use the products they would be selling and better understand their benefits. They made sure the agents could leave the session with stock to sell right away and that more would be delivered to their shops. This meant there was no gap between the excitement of the training session and their being able to sell the lights to consumers and begin supplementing their income.

WHAT NEXT FOR D2D PRO?

Trialling access to a wider basket of impact durables

D2D Pro are currently considering how to use the same model to expand access to higher value durables, such as PAYG phones, and FMCG stock, by allowing consumers to use the same PAYG model to build a credit rating and the solar light as collateral for this credit.

Integration with further fintech tools and services

Work has begun with Innovectives and their financial app Kesh Express to provide loans via this app that the sales agents can spend exclusively on durables from the D2D Pro basket. These goods could include solar lights, stoves and stock from partners like Unilever. This activity will help sales agents to further expand their offering and generate more business with impactful goods.

D2D Pro is part of the TRANSFORM portfolio of social enterprises. TRANSFORM is a joint initiative between Unilever, DFID and EY. Established in 2015, it works to accelerate social enterprises, blending funding and support to deliver market-based solutions to the world's biggest development challenges. TRANSFORM uses their global expertise in distribution and supply chain to deliver sustainable impact to low-income households in sub-Saharan Africa and South Asia. For more information on TRANSFORM, visit our website www.transform.global, and follow us on Twitter ([@TRANSFORM SDGs](https://twitter.com/TRANSFORM_SDGs)) and [LinkedIn](https://www.linkedin.com/company/transform-global).