

Six 'golden rules' to create sales networks that reach the last mile



Reaching underserved communities in the 'last mile' with products can be a challenge for social enterprises. A loyal sales force that understands the needs and challenges of your customers can be the difference between success and failure. In this article, we share 6 'golden rules' for setting up sales networks, drawing on experiences and insights from TRANSFORM's social enterprises.



1 Build links with existing networks of sales agents

Often, it will be quicker and cheaper to access an existing network rather than build from scratch. In India, Frontier Markets overcame the challenge of the last mile by working alongside local NGOs. In many countries, the NGOs who help entrepreneurial individuals build sustainable livelihoods will have similar values to a social enterprise making collaboration desirable for both partners.

Businesses selling complementary products and services may also have trained sales networks and be interested in co-distribution. D2D Pro, a Nigerian solar light business, partnered with Innovectives, a company that already had its own large sales network. Now, 60 Innovectives agents improve their incomes by selling solar lights alongside their wider basket of goods.

2 Treat agents as entrepreneurial collaborators

There are many skills that can be taught, as long as the agent has basic literacy. However, TRANSFORM grantee Dharma Life found that both an entrepreneurial mindset and influence in the local community could not be taught. When it comes to these kinds of attributes, you need to train a sales force to be impactful vendors for your products or services. Crucial to productivity and sales success is that agents are made to feel part of a team with a shared purpose and stake in achieving in the company vision. This shared purpose acts as a strong motivator compared to sales teams feeling part of an outsourced function.

"Partnering with Innovectives saved us the trouble of building our own sales network and allowed us to really play to our own strengths. This has undoubtedly helped strengthen the D2D Pro business and will help increase our positive impact."

Nick van der Velde, D2D Pro & BoP Inc

3 Start with basic training and build from there

Start with the basics: Help the new agents to adopt a human-centred approach, developing an understanding of how the products relate to what people really want or need. Having this empathetic approach can increase customer engagement and sales conversion rates. D2D Pro suggest making training as actionable as possible – encouraging practical sessions with guaranteed products or services to sell at the end of them.

Build: Increase the investment in training once you know the agent is right for your business. This signals to the agent that they are valued, and helps them to see the relationship as mutually beneficial. For Frontier Markets, a greater investment in training comes three months into the job when agents receive a business phone and specialised training on inventory management and data collection.

4 Incentivise sales agents appropriately

Many sales agents, particularly those from low-income, rural communities, value a steady income. This can alleviate some of the worries associated with usual uncertainties around farming incomes. Offering commissions can work to increase total sales volume as agents work harder to complete sales, but they can also have unintended consequences. Agents working on commission will sell to anyone they can. So, rather than the products creating the intended impact with the communities most in need, they may reach more affluent customers, who are in less need. Crucially, and in particular when sales agents are learning on the job, a steady wage will be vital to them continuing their employment and building their sales skills.

“For the women we work with, regular income is more effective than a commission. When a product requires behavioural change or is linked to a health or wellbeing imperative, to only incentivise on the sale when there’s so much work up until then is to undervalue and dismiss the work done beyond the sale. They are valued partners and colleagues.”

**Ajaita Shah, Founder,
Frontier Markets**

5 Leverage technology for efficiency benefits

Digital and mobile tools can be a great asset. Digital tools create efficiency savings, reduce admin and allow agents to spend more time selling and marketing products. Digitising distribution also provides a rich stream of data. This allows you to keep track of what’s going on, spot if anything isn’t going according to plan, and know when to step in to lend a hand with support or more training as needed. Some enterprises also use digital technologies to track the locations of their agents, fuel use, and other factors for efficiency gains.

For D2D Pro, switching from manual payments to mobile money simplified and accelerated payment processes and allowed agents to focus their energy on sales and after-sales support. For NaijaCare, the use of eLearning provided Nigerian medicine vendors with low-cost professional and business training that they could access flexibly without the need to close their shop. This online training was complemented by a digital ordering facility that provided access to high quality, affordable medicines, which are difficult and expensive to obtain through other channels.

“For cash payments on our solar light instalment plans, for example, 100 sales broken down into five instalments creates the need for 500 physical collections. With digital payments, visits are only needed when agents need support with their solar light purchase, which allows us to really focus our time on adding value for our customers when they need help.”

Nick van der Velde, D2D Pro & BoP Inc.

Post-sales service can boost sales

For many impact durables, such as solar lights or water filtration devices, after-sales support can be a deciding factor to purchase for potential customers.

Customers may need help to install the solar panel for a solar light or may need the reassurance of after-sales support before they invest in a water purifier in case something goes wrong.

Consider the role of your sales agents in providing support, or whether you need to create a specialised team. D2D Pro has gone for the specialist route, by having dedicated sales agent managers in each area they operate in, and this is helping to build brand loyalty and make them stand out from competitors.

"Aftercare develops trust and is a big part of customer psychology. If a customer can't use a product properly or it breaks, you need to be there to respond at that moment. If you don't, they'll worry and feel foolish for spending money on your product and blame the company for selling them something that doesn't work well."

**Ajaita Shah, Founder,
Frontier Markets**

Checklist for creating your sales network

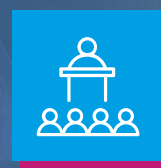
As you begin to develop your sales network, you should consider the following questions:



Can you use existing networks rather than build your own?



What is the agent profile you are looking for; what skills can be taught?



What training is needed to get the agent started and what can wait until later?



What is the best way to incentivize your agents; a steady income or sales targets?



Where can technology improve the efficiency of your operations?



How do you offer after sales support that could be critical for your customers?

Frontier Markets, D2D Pro, NaijaCare, and Dharma Life are 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 impact enterprises, blending funding and support to deliver market-based solutions to the world's biggest development challenges. TRANSFORM uses its capabilities and expertise in marketing, distribution, digital, and business resilience to deliver transformative market-based solutions to low-income households in sub-Saharan Africa and South Asia that last. For more information on TRANSFORM, visit our website www.transform.global, and follow us on Twitter (@TRANSFORM SDGs) and [LinkedIn](https://www.linkedin.com/company/transform-global).