MAKING MARKETS WORK
TO REDUCE LOSS AND IMPROVE SMALLHOLDER FARMER LIVELIHOODS

ROUTE TO MARKET: SUSTAINABLE GROWTH OPPORTUNITIES FOR SMES IN TANZANIA’S MAIZE VALUE CHAIN

SEPT 20&21, 2018 | DODOMA, TANZANIA

On Sept 20 & 21st, 2018 the Initiative for Global Development (IGD) hosted a 2- day business advisory training workshop with 25 SMEs operating in Tanzania’s maize off taking ecosystem. The workshop, part of a broader program to unlock the growth potential of SMEs in priority value chains by enabling them to better access available finance, is supported by the Rockefeller Foundation. AGRA AND CSDI were critical in mobilizing SME participation and AMDT facilitated SME participation by financing travel and accommodation expenses. The workshop was facilitated by Africa Instore Solutions Ltd, a Kenyan based SME advisory and capacity development organization, on behalf of IGD.

Designed to address a specific need, previously identified by SMEs during a SME finance marketplace workplace organized by IGD in Dar Es Salaam in April 2018, the focus of the Route to Market workshop was to enable high growth potential SMEs (those that process maize into flour and animal feed) with products for retail markets including business to business (B2B) and business to consumer (B2C) markets to define new potential markets to stimulate sustainable business growth enabling them to better access finance for growth.

A selection of workshop photos

KEY HIGHLIGHTS

- Private sector best practices and tools were shared with SMEs, such as: Joint Business Planning, a practice that encourages customer collaboration in business operations and assist in securing future trading opportunities.
Key skills learned: include design of effective sales vision, create relevant and impactful sales strategies and tools necessary to measure new market viability and cost to serve

Key benefits: participants highlighted group work case study exercises that encouraged SMEs to design mock sales visions and route to market designs. The participants expressed enthusiasm and confidence in developing their own specific route to market models.

80% of attendees found this workshop extremely useful and relevant to their business according to exit survey. Majority of the participants indicated that the workshop was an ‘eye-opener’, to the need of putting structure and systems in their sales operations.

SMEs traveled across Tanzania to attend, hailing from Kibaigwa, Mbozi, Mufindi, Rukwa, Njombe, Iringa, Dodoma, Mbeya, Dar-es-Salaam, Mtwara, Morogoro, Sumbananga and Songea

OUTCOMES FROM THE ROUTE TO MARKET TRAINING
Direct feedback and survey results indicated that attendees found the training very useful, and relevant as it provided them with an opportunity to gain skills relevant to spur their growth potential. 65% of participants indicated that development of Route to Market strategies for their enterprises is a top priority for implementation post the workshop. Design of business plans and impactful sales visions for their teams were given second and third priority respectively. Participants expressed interest to participate in future IGD programming.

SMEs were able to expand their skills in the following areas:
- Increased understanding of local market opportunities and identified tools necessary to measure market viability and identify priority markets for their own businesses
- Leverage retail multinational best practices and appreciate the importance of taking a proactive approach in identifying and targeting priority customers through collaborative joint business planning.
- Identify importance of setting systems and structure in their business operations necessary for performance measurement that is relevant when presenting compelling evidence to potential financiers on their financial viability
- Recognize the most appropriate and cost-effective distribution channel to use to reach target markets
- Identify the most appropriate aggregated market partners to collaborate with in order to competitively position the SME products in the market.
- Define sales strategies necessary to stimulate sales growth and expand customer reach
- Foster peer learning through group exercises whereby SMEs related the case studies to their actual market based challenges and together brainstormed on possible solutions

SMEs also made meaningful new peer connections with some enterprises acquiring new business opportunities. For example, Joyce Kimaro, director at Lina Millers connected with Krispin, Malekela, Marketing manager at Unyiha Associates Limited, and found a new market for her maize Grits. The grits are a byproduct of Lina’s maize flour processing and will be used by Unyiha in the production of food snacks.

The training was fantastic. The topics covered were relevant and the emphasis placed on markets during the discussions was very insightful. I believe majority of our enterprises will have their operations transformed from the learnings of this workshop. I also suggest that IGD considers sharing certificates with us on Route to Market, as it will serve as a huge motivator considering the concepts shared about Sales and Markets during this workshop can be somewhat equated to a University Master’s program.

Clement S. Sangare – Director Mapanda Enterprise Limited
Partner organizations AGRA, CSDI and ADMT were able to:

- Identify critical areas for business development support targeting access to markets as a means to mitigate post-harvest losses across the maize value chain.
- Identify huge opportunity for the SMEs to increase local market footprint using cost-effective route to market models.
- Understand SME operational challenges and limitations relating to access to markets and collection of data relevant for decision making.
- Support SMEs to fortify their business operations by setting structures and systems necessary to measure performance and attract financial investments.

The lessons and concepts that have been shared during this Route to Market Workshop provide eye-opening opportunities for SMES to leverage upon as they set out in their respective markets. AMDT’s key mandate is to promote effective market systems across the maize value chain and this training resonates with our overall objective.

David Mabula – Maize value chain Specialist: AMDT

THEMES, LEARNINGS & PRIORITIES

Each session included opportunities for dialogue and discussion and enabled SMEs to highlight some of the key challenges faced in the process of accessing markets. Some of the challenges mentioned include:

- Development of tools - documented reference materials that SMES can use in establishing key sales strategies such as measurement of SME distribution cover/network in a market.
- Follow up – mentorship and coaching support necessary in ensuring the enterprises are successfully implementing and applying the knowledge post workshop.
- Push to invest in professional staff team across all business functions to ensure proper governance, management and productivity
- More opportunities to network and promote peer learning across SMEs as it provides a huge opportunity for entrepreneurs to identify new ways to work and improve driving commercialization excellence.
- Investment in business development support to assist enterprises design effective business plans necessary to attract financing.
- Invest in an effective sales team and develop systems necessary for their sales functions to ensure maximum market coverage in the most cost effective manner

Evaluating the long term success of the Route to Market training will require follow up field visits to the SMEs operations to assess implementation levels and execution and the extent to which deployment of new knowledge has resulted in changes to business management.

NEXT STEPS

IGD, AGRA and AMDT will continue to collaborate and engage with SMEs to determine further opportunities to provide support to stimulate SME growth. For further information contact Helen Mant on helenmant@igdleaders.org
BACKGROUND IGD’S SME FINANCE PROGRAM: ENABLING AGRIBUSINESS SMEs TO ACCESS GROWTH RESOURCES

SME growth is a critical component to catalyzing inclusive agricultural growth in Africa. When smallholder farmers (SHFs) begin to produce at higher quality, efficiency, and volume, SMEs in offtake, processing, manufacturing, transportation, and distribution are the crucial links farmers need to access markets for their products. But, these SMEs can't take on more products if they don’t have the resources to grow their capacity. Without asset financing, working capital, debt facilities, growth investments, market linkages, access to new technologies, and the knowledge necessary to access said resources, SMEs become roadblocks for inclusive agricultural growth instead of the facilitators they should be.

CONNECTING THE DOTS
IGD has worked to connect SMEs to such resources by:

- **MAP:** Identifying and connecting high-growth SMEs within priority value chains local providers of alternative finance and business advisory/technical assistance, and understanding their challenges in building pipeline and working with SMEs
- **CONNECT:** Convening marketplace actors to facilitate networking and build understanding, Sharing resources and build stronger networks through continued engagement via newsletters, webinars, and events
- **GROW:** Designing customized workshop sessions to address challenges identified by marketplace actors and Developing targeted business advisory services to upskill SMEs based on self-identified priority needs.
- **ADVOCATE:** calls to action in creating greater availability of and access to resources for SMEs

ROUTE TO MARKET FOCUS
The Route to Market workshop was a response to the challenge posed by the participants during the ‘Access to Finance’ workshop targeting SMEs participating in the maize value chain held in Dar es Salaam in March 2018. The majority of the SMEs highlighted that restrictions of maize exports pose a huge threat to sustainability of their operations. The Route to Market workshop objective was to provide and equip SMEs with structured systems of identifying the right alternative local markets and seeking trade opportunities to enable them to develop a more diverse and sustainable customer base. SMEs were encouraged to fortify and create sustainable business models that attract financial investments and contribute towards mitigation of post-harvest losses in the maize value chain. The goal was to provide strategic contribution and support to SME business enhancement to enhance their businesses ability to access finance.

IGD suggests that partners work collectively to support ongoing efforts.
APPENDIX 1 – ATTENDEES OF THE ROUTE TO MARKET TRAINING

Agribusiness SMEs:
1. Aggrey Ndekwa – Ruaha Millers Co. ltd
2. Richard Mguhi – Msamala International Ltd
3. Peter Mlegulah – Raphael Group Ltd
4. Prof. Faustin Lekule – International Tanfeeds Ltd
5. Robert George – Mamaseki Limited
6. Joyce Mahenge – AA Nafaka Store
7. Noel Kwai Mbasira Food Industries
8. Fidelis Kilamlya – Mbonome Industries
9. Joyce Kimaro – Lina Millers Ltd
10. Godfrey Mwenda – Khebhanza Marketing Co. Ltd
11. Remmy Maluvi Ikuwo General Stores
13. Salome Kingdom – Smigi Investments
15. Clemnt Sangale – Mapanda Enterprise Ltd
16. Hussein Mussa – Dikwe General supplies
17. Angela John – Utulive Super Sembe
18. Farida Nyage - Utulivu Super Sembe
20. Susan Mkini - Utulivu Super Sembe
21. Priscus Masawe - Utulivu Super Sembe
22. Christopher Simole – Apek
23. Elizabeth Nyimbo – Super Seki
24. Dicken Lulandaza – Ihemi Sembe
25. Savior Chanay – Real World
26. Boniphace Marwa – Kibaigwa Flour Supplies

Partner organizations
1. David Mabula – AMDT
2. Al-Amani Mutarubuka – AMDT

Conveners:
Jones Goverah, AGRA
Ulrich Mwinyiechi, CSDI
Herrieth Kinabo, CSDI
Jennifer Githinji, IGD
Mkani Waziri - IGD
### APPENDIX 2 – AGENDA

**MARKING MARKETS WORK: ROUTE TO MARKET SME WORKSHOP**  
**20TH -21ST SEPTEMBER 2018, MORENA HOTEL - DODOMA**

#### DAY 1 - THURSDAY 20TH SEPTEMBER

<table>
<thead>
<tr>
<th>TIME</th>
<th>ACTIVITY</th>
<th>FACILITATOR</th>
<th>DURATION</th>
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<tbody>
<tr>
<td>8.30am to 9.30am</td>
<td>Welcome &amp; Introductions</td>
<td>Jones Goveruh (AGRA)</td>
<td>1hr</td>
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</tbody>
</table>
| 9.30am to 10.15am   | **Session 1**: Overview of maize production and Maize flour trade in Tanzania  
|                     | Objective: Appreciate the flow of trade from maize production, processing and markets | Mikani Waziri               | 45 mins   |
| 10.15am to 11.30am  | **Session 2**: Sales Commercial Strategy  
|                     | - Understand the importance of designing sales strategies  
|                     | - Identify the process in developing the strategies                   | Jennifer Githinji & Mikani Waziri | 1hr 15 mins |
| 11.30am to 11.45am  | Tea/ Health Break                                                        |                              | 15 mins   |
| 11.45am to 1.00pm   | **Session 3**: Introduction to Route to Market - Sales Strategy  
|                     | SMEs will appreciate the role of RM sales strategy and its impact on sales revenues, product, distribution & profitability | Jennifer Githinji           | 1hr 15 mins |
| 1.00pm to 2.00 pm   | Lunch / Networking                                                       |                              | 60 mins   |
| 2.00pm to 3.00pm    | **Session 4**: Role of distribution & Its relevance in Route to Market Strategy | Jennifer Githinji           | 1 hr      |
| 3.00pm to 3.15pm    | Tea/ Health Break                                                        |                              | 15 mins   |
| 3.15pm to 3.30pm    | Storage Solutions Technologies Presentation                              | Ulrich Mwinyiachi (CSDI)    | 15 mins   |
| 3.30pm to 4.45pm    | Individual assignment: Prioritizing learning for success               | SMEs                         | 1hr 15 mins |

**End of Day 1**
# MARKETING MARKETS WORK: ROUTE TO MARKET SME WORKSHOP
20TH - 21ST SEPTEMBER 2018, MORENA HOTEL - DODOMA

## DAY 2 - FRIDAY 21ST SEPTEMBER

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<thead>
<tr>
<th>TIME</th>
<th>ACTIVITY</th>
<th>FACILITATOR</th>
<th>DURATION</th>
</tr>
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<tbody>
<tr>
<td>8.30am to 9.30am</td>
<td>Recap of Day 1 &amp; Quiz</td>
<td>Jennifer &amp; Mkani</td>
<td>1hr</td>
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<tr>
<td>9.30am to 10.45am</td>
<td><strong>Section 6: SME Business Planning Process</strong></td>
<td>Mkani Waziri</td>
<td>1hr 15mins</td>
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<tr>
<td>10.45am to 11.00am</td>
<td><strong>Tea / Health Break</strong></td>
<td></td>
<td>15 mins</td>
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<tr>
<td>11.00am to 1.00pm</td>
<td><strong>Session 7: Creating a sales vision</strong></td>
<td>Jennifer Githinji</td>
<td>2hrs</td>
</tr>
<tr>
<td>1.00pm to 2.00pm</td>
<td><strong>Lunch / Networking</strong></td>
<td>Jennifer Githinji</td>
<td>1hr 15 mins</td>
</tr>
<tr>
<td>2.00pm to 3.15pm</td>
<td>Individual assignment: Each SME will prepare a mock Route to Market Strategy informed by their sales vision</td>
<td>Jennifer Githinji</td>
<td>1hr 15 mins</td>
</tr>
<tr>
<td>3.15pm to 3.45pm</td>
<td><strong>Pitching to finance organisations - Financing for SME growth</strong></td>
<td>Jones Govereoh (AGRA)</td>
<td>30 mins</td>
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<tr>
<td>3.45pm to 4.15pm</td>
<td><strong>The way forward - SME growth in the Maize value chain</strong></td>
<td>AMDT</td>
<td>30 mins</td>
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<tr>
<td>4.15pm to 4.45pm</td>
<td><strong>Survey completion, Networking and Departure</strong></td>
<td>IGD</td>
<td>30 mins</td>
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*Wrap up - End of workshop*
APPENDIX 3 - WORKSHOP PHOTOS

Find workshop photos in this shared folder:

TANZANIA WORKSHOP PHOTOS